Empowering Mediterranean regulators for a common energy future.

Working Group on Gas (GAS WG)

ASSESSMENT OF NATURAL GAS COMPETITION AND MARKET PRICES WITHIN MEDREG MEMBERS

Final Report

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1. SCOPE AND OBJECTIVES

The Association of the Mediterranean Regulators for Electricity and Gas (MEDREG) was established in 2007 as a non-profit association. Among its general objectives, MEDREG aims "to promote the achievement of a consistent harmonized and investment-friendly regulatory framework aimed at providing the maximum benefits to energy consumers of the Mediterranean region".

As foreseen in its Action Plan for 2016-2018 MEDREG plans to study possible recommendations and requirements that could lead to the development of an integrated, competitive, secure and functioning gas market in the Mediterranean region. In order to develop this work, MEDREG has developed a set of indicators to help understand the current situation in its member countries, as presented in the present report.

It is worth recalling that wholesale and retail competition is a common target among MEDREG members. In several MEDREG countries, competition in the gas sector is not yet established. The majority, however, pursue an open and competitive gas market. From a regulatory perspective, the promotion of effectively functioning competitive energy markets is an important way to protect customer interests. In this context, to ensure that markets operate more effectively it is important to provide greater transparency of information to all parties, including customers.

Natural gas consumption studies show a large diversity among the Mediterranean countries. While almost half of the gas consumption is allocated to the residential/commercial sectors, the other half is nearly equally shared by power generation and industry. Such a high level of residential consumption may seem counter-intuitive, considering the region's warm climate. On the production side, it is important to note that some countries do not even have access to gas, while other countries do not have any gas production and others are gas exporters[1].

The purpose of the present report is to provide an assessment of gas market competition among MEDREG members using a common set of indicators and also to analyze gas retail prices in each country. The report also provides a review of the level of competition in the retail gas markets for household and non-household consumers, across MEDREG members.

It is important to stress that several limitations were experienced when carrying out this exercise, namely as regards the (non-)availability of information for all MEDREG members (Table 1):

- Information was not available for 7 of the 21 countries surveyed. They have therefore not been included in the assessment: Algeria, Bosnia-Herzegovina, Libya, Morocco, Palestine, Slovenia and Tunisia.
- From the information available for 14 countries, the report's analysis focuses on the situation in 10 countries (Croatia, Egypt, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey), as in the others there is no gas consumption (Albania, Cyprus, Malta and Montenegro).
- In the case of Israel and Jordan, all gas consumption is used for non-household segment, and thus information for these two countries is limited to the competition market indicators analysis for the non-household customer segment.

[1]MEDREG Gas Working Group–Second Benchmarking Report (Med14-18GA-6 GAS).

Table 1: Input received from MEDREG members

	COUNTRIES	Answers received	Observations
1.	Albania	×	no gas consumption
2.	Algeria		
3.	Bosnia-Herzegovina		
4.	Croatia	×	
5.	Cyprus	×	no gas consumption
6.	Egypt	×	
7.	France	×	
8.	Greece	×	
9.	Israel	×	
10.	Italy	×	
11.	Jordan	×	All gas used for power generation demand
12.	Libya		
13.	Malta	×	no gas consumption
14.	Montenegro	×	no gas consumption
15.	Morocco		
16.	Palestine		
17.	Portugal	×	
18.	Slovenia		
19.	Spain	×	
20.	Tunisia		
21.	Turkey	×	
	Total	**14**	

Answers received

Countries with no gas consumption

Information not available

2. ASSESSMENT OF NATURAL GAS COMPETITION AND MARKET PRICES

2.1. Market Competition Indicators

This section presents a general overview of gas retail markets, presenting the questions addressed to each MEDREG member in order to evaluate status of gas competition using the following key indicators: number of active suppliers, market concentration index, product differentiation, consumer switching activity and level of liberalization in the gas market. The information refers to year 2014, except for France and Israel, whose information refers to year 2015.

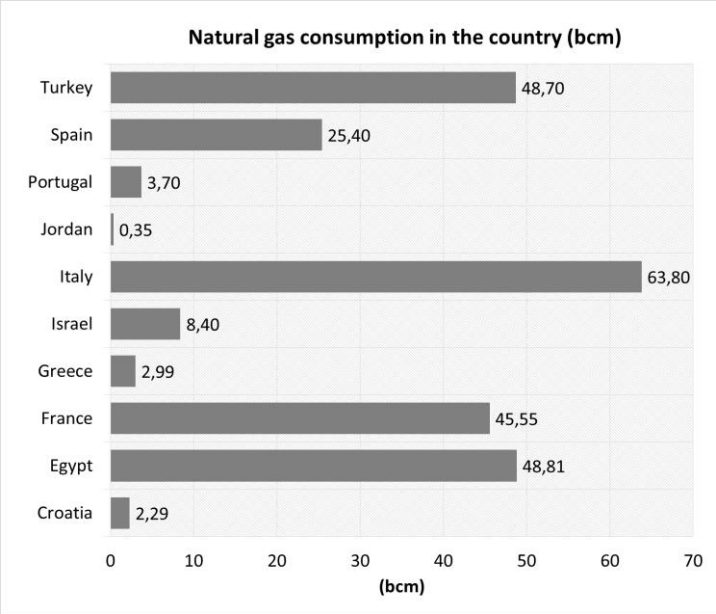
2.1.1. General overview of gas retail markets

At present, there are several realities among the MEDREG members concerning the gas market liberalization process:

- For some countries, gas markets are already fully open, with different suppliers providing several commercial offers to customers; customers having the possibility to choose their supplier; and gas prices being established by negotiation between the two parties (customer and supplier).
- Other situations exist among MEDREG members where gas markets are closed to competition or at the beginning of the liberalization process. In this case, the choice of supplier is limited, with regulated gas prices being established by the competent authority (NRAs or Government).

The following figures present an analysis of gas consumption and number of gas customers disaggregated by household and non-household segments. The analysis includes the following countries: Croatia, Egypt, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey.

Figure 1: Gas consumption



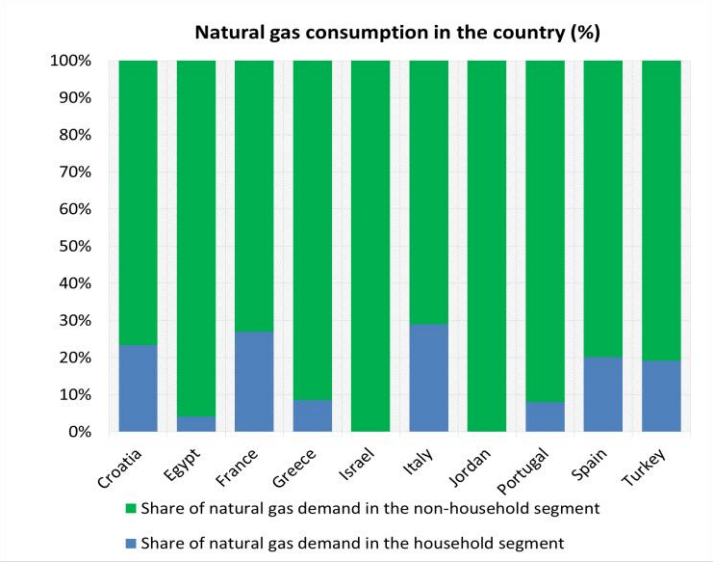
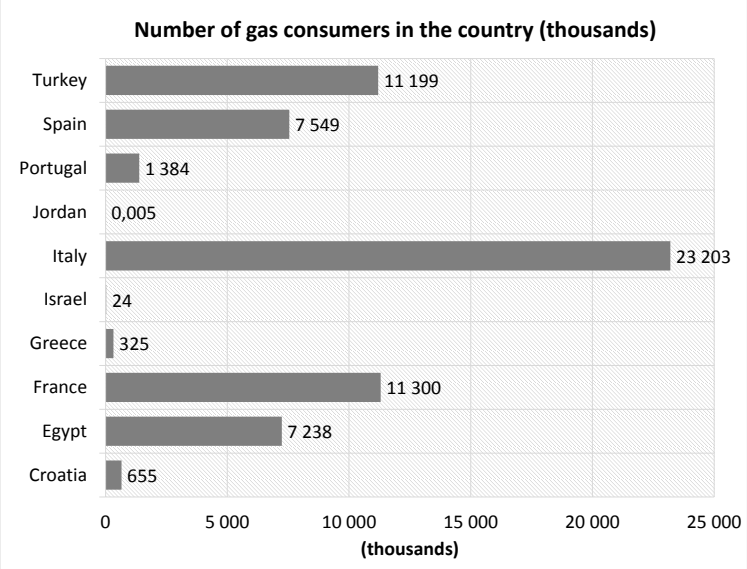
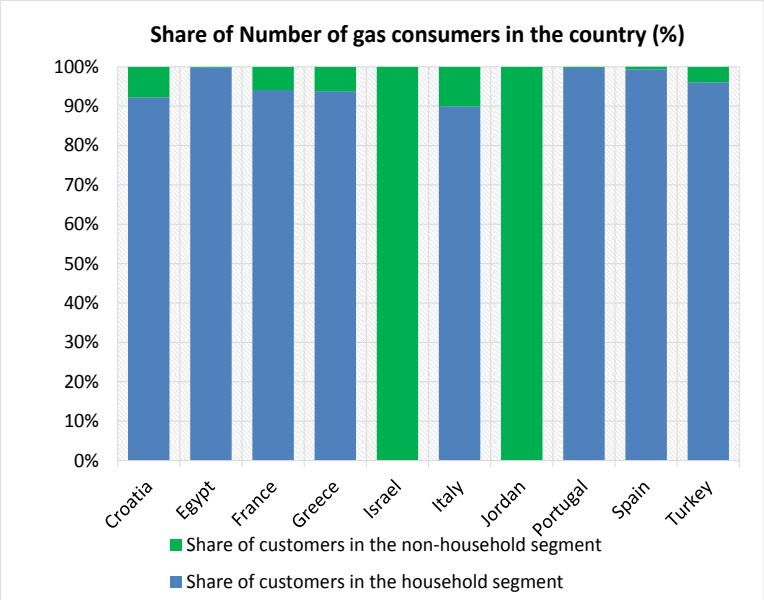


Figure 2: Gas customers





The figures show that the gas markets among MEDREG members are quite diverse in terms of total energy demand and total number of customers. Large markets like Italy, France, Turkey, Spain and Egypt coexist with small ones like Jordan, Israel, Greece, Croatia and Portugal.

It is also possible to see that the distribution of gas demand between the household and non-household segments is quite varied. Some countries have no demand in the household segment, like Israel and Jordan. On the other hand, in countries like Croatia, Italy, France and Spain, household demand accounts for more than 20% of all national gas demand.

As regards the total number of gas customers, the share of household customers is higher or equal to 90% for all the MEDREG countries analyzed, except for Israel and Jordan where there are no household customers and all the gas consumption goes to the non-household segment. Considered alongside the data on demand, we note that while there are very high proportions of household gas customers in the countries surveyed, a majority of the demand for gas comes from the non-household segment.

2.1.2. Level of liberalization in the natural gas market

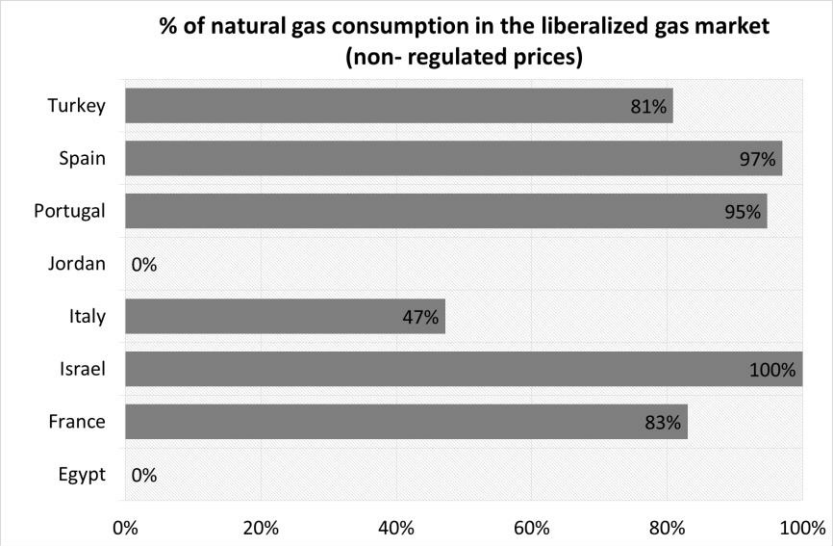
Full liberalization, otherwise known as full retail competition or full deregulation, is when household and non-household customers are all eligible to choose their gas supplier and purchase their energy at market-based prices. The status of liberalization can be measured with a breakdown of the number of gas customers and consumption in the liberalized market by customer segment, in each MEDREG member, at the end of 2014 (31st December 2014)[2].

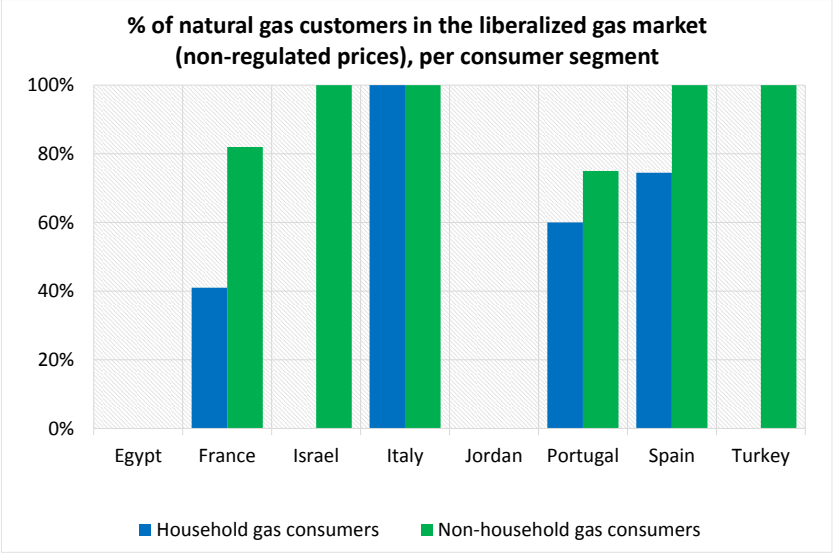
The following figures present an analysis of the information concerning gas consumption and number of gas customers being supplied in the liberalized market where prices are established in a market environment without any administrative price. This information is disaggregated by

[2] For Israel and France: 31 December 2015.

household and non-household segments. The analysis includes the following countries: Egypt, France, Israel, Italy, Jordan, Portugal, Spain and Turkey.

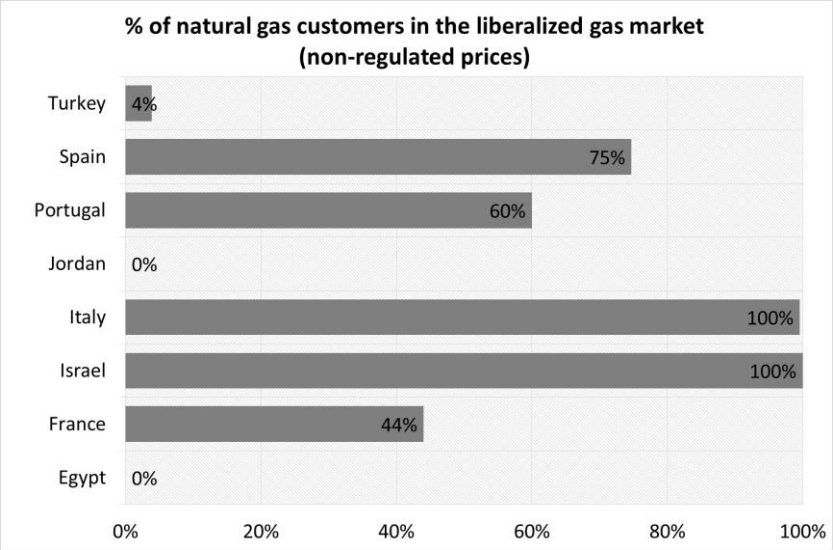
Figure 3: Gas consumption in the liberalized market (non-regulated prices)

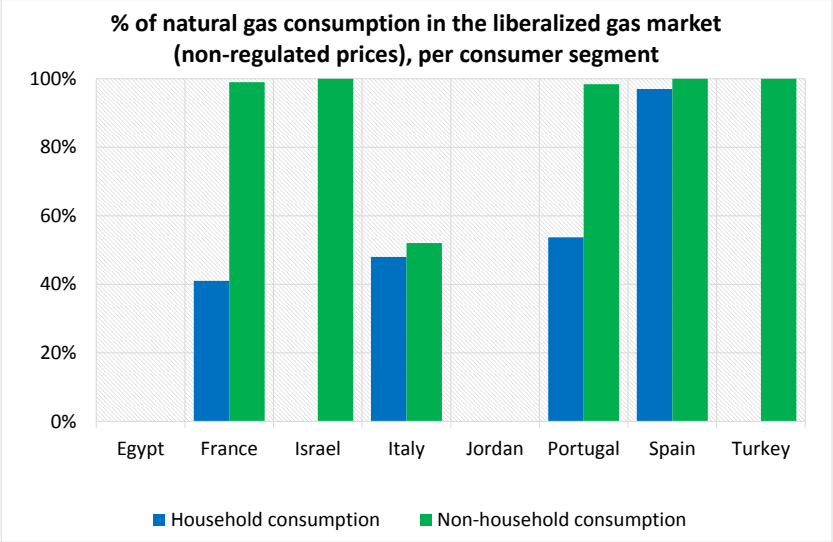




Note: Egypt and Jordan have regulated prices for all gas consumers

Figure 4: Gas customers in the liberalized market (non-regulated prices)





Note: Egypt and Jordan have regulated prices for all gas consumers

The figures show significant differences between countries in terms of the level of liberalization of the gas retail market. In countries such as Egypt and Jordan, all consumers are in the regulated market, with the application of regulated and administrative gas prices.

However, countries such as France, Portugal, Spain and Turkey show a clear degree of liberalization. In terms of gas consumption being supplied under a liberalized market environment, these countries have values above 80%, although the percentage for the number of customers in the liberalized markets is lower. This situation can be explained by the fact that non-household customers enter the market with non-regulated gas prices before household customers.

In Israel, all the gas consumers are served in the open market, with non-regulated prices.

2.1.3. Number of active suppliers

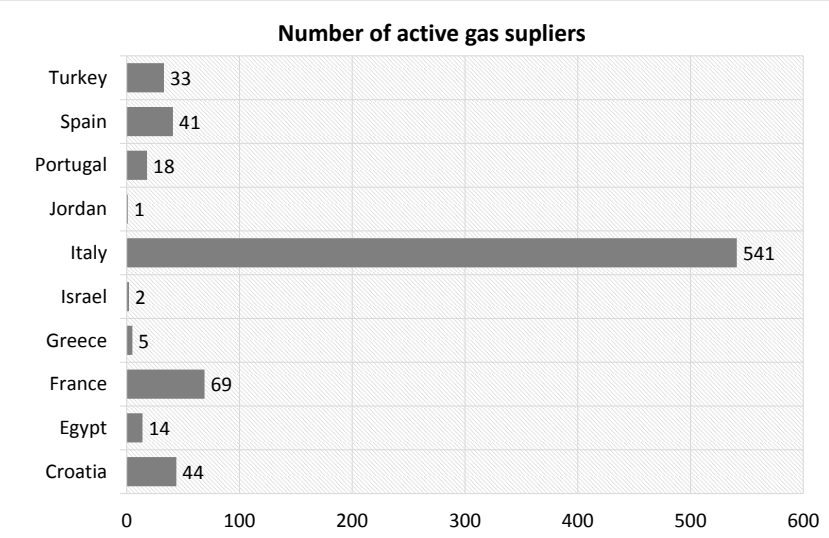
The number of suppliers active in the market is another useful indicator to analyze the status of market competition. Information was therefore collected on the number of active suppliers in each MEDREG member, for the household and non-household segments, at the end of 2014 (31 December 2014)[3].

It is important to differentiate the number of suppliers with nation-wide activity and the number of suppliers with local activity. Although retail gas markets with a higher number of active suppliers (total and nation-wide) are seen as more competitive, it can be observed that markets in some countries have a very strong regional/local component.

The following figures present analysis of the information received concerning the number of gas active suppliers. This analysis is disaggregated by household and non-household segments and is also disaggregated by national and local supply activity.

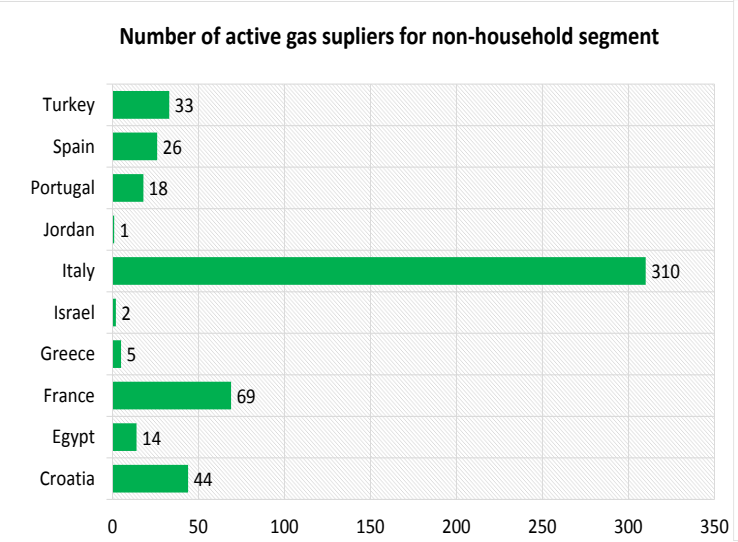
The analysis includes the following countries: Croatia, Egypt, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey.

Figure 5: Total number of active gas suppliers



[3] For Israel and France: 31 December 2015.

Figure 6: Number of active gas suppliers – Non-household segment



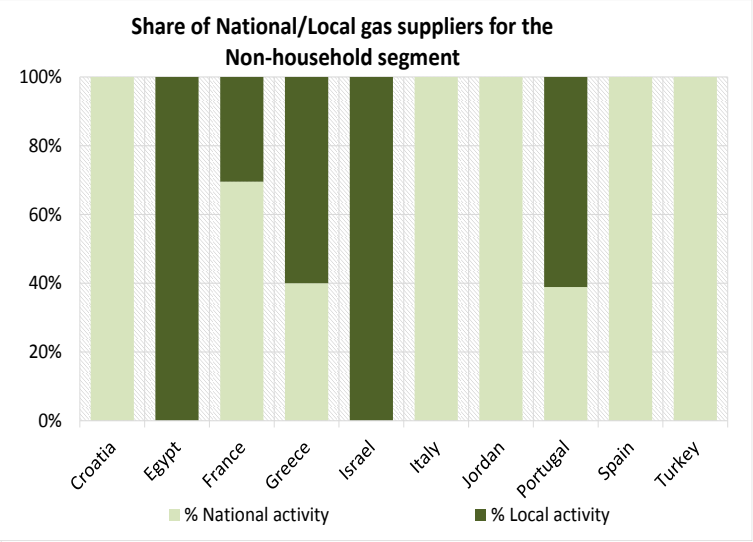
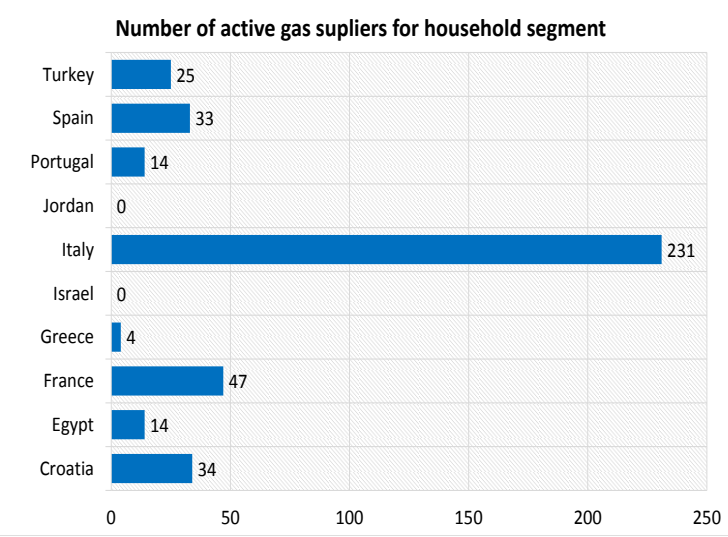
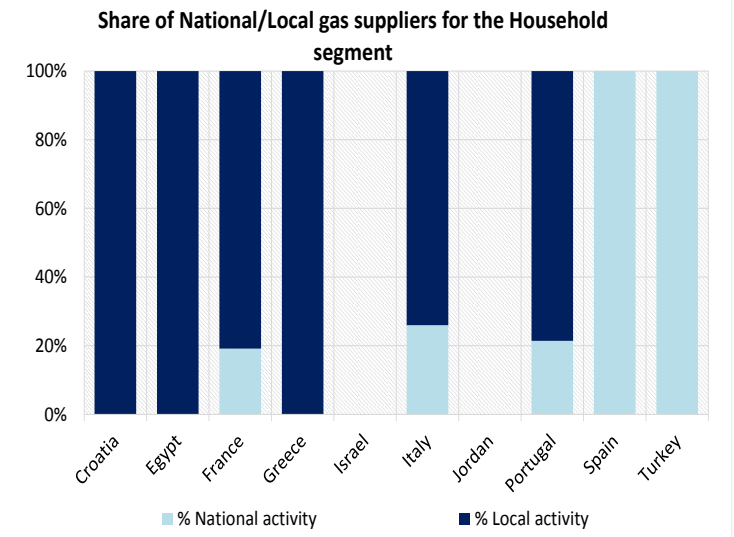


Figure 7: Gas customers in the liberalized market (non-regulated prices)





Note: Israel and Jordan don't have household customers

Figure 5 shows that Italy is the country with the highest number of gas suppliers, with 541 players by the end of 2014. By other hand, Jordan has only one gas supplier.

The analysis for the non-household segment (Figure 6) shows once again that Italy is the country with the highest number of gas suppliers for this segment, with 310 active players at national level at the end of 2014. Jordan has the lowest number of active suppliers in this period, with only one market player.

The analysis for the household segment (Figure 7) shows Italy is the country with the largest number of gas suppliers for the domestic segment, with around 231 market players at the end of 2014. Israel and Jordan have no gas suppliers for this market segment.

Both sets of figures (Figures 6 and 7) show the differences that exist between the different MEDREG countries concerning the geographical coverage for the gas suppliers.

For the non-household segment, countries like Egypt and Israel have gas suppliers with local activity exclusively, while countries like Croatia, Italy, Jordan, Spain and Turkey have gas suppliers with only national activity. France, Greece and Portugal have gas suppliers with both national and local activity.

For the household segment, countries like Croatia, Egypt and Greece have gas suppliers with only local activity, while Spain and Turkey have gas suppliers with only national activity. France, Italy and Portugal have gas suppliers with both national and local activity.

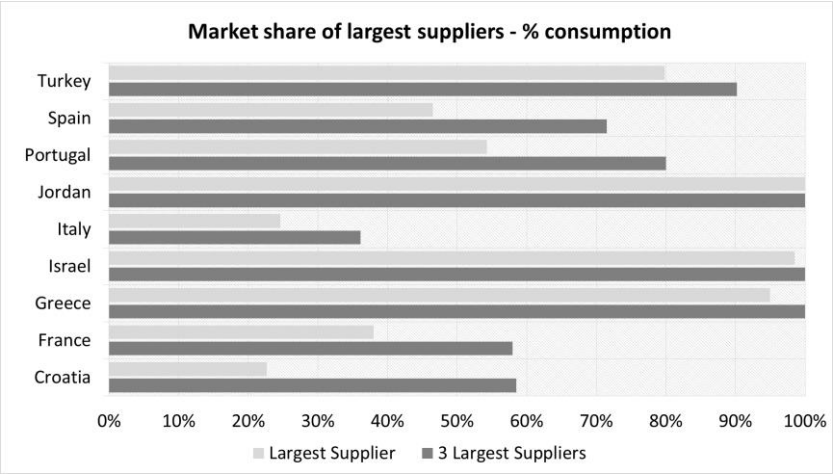
2.1.4. Market concentration index

The market concentration index can be expressed as the sum of market shares of the three largest suppliers in the gas market as well as the number of main suppliers (i.e. suppliers with market shares equal to or higher than 5%) in each MEDREG member, at the end of 2014 (31 December 2014)[4].

The best conditions for competitive gas markets at national level exist in those markets where the three largest suppliers have a smaller share of the market and where several main suppliers operate in the market.

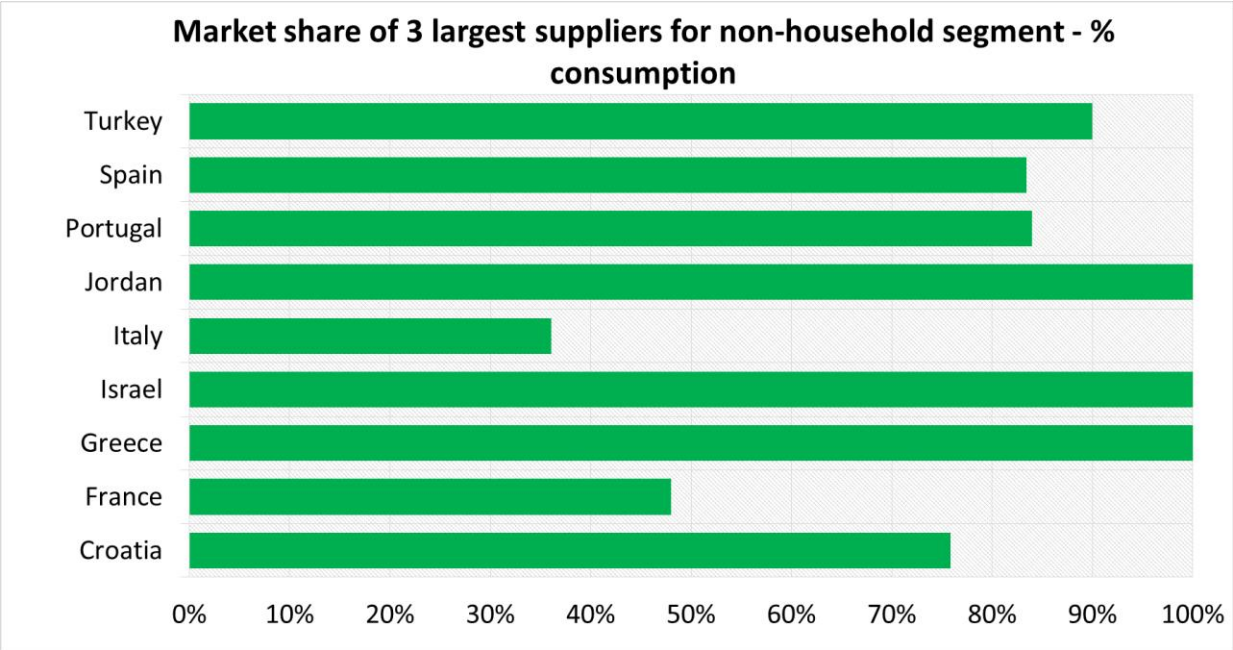
The following figures present an analysis of the information received concerning the market concentration index. The analysis includes the following countries: Croatia, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey. Egypt is not included in the analysis because the gas market is still fully regulated.

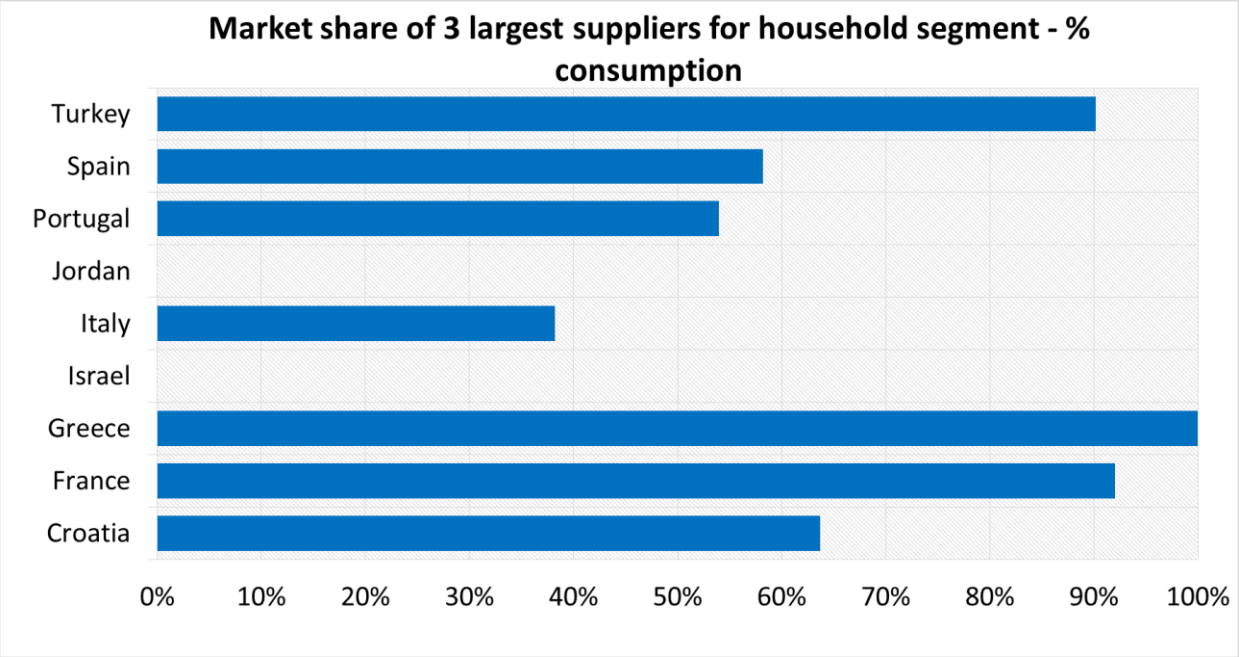
Figure 8: Market share of largest suppliers - % consumption



[4] For Israel and France: 31 December 2015.

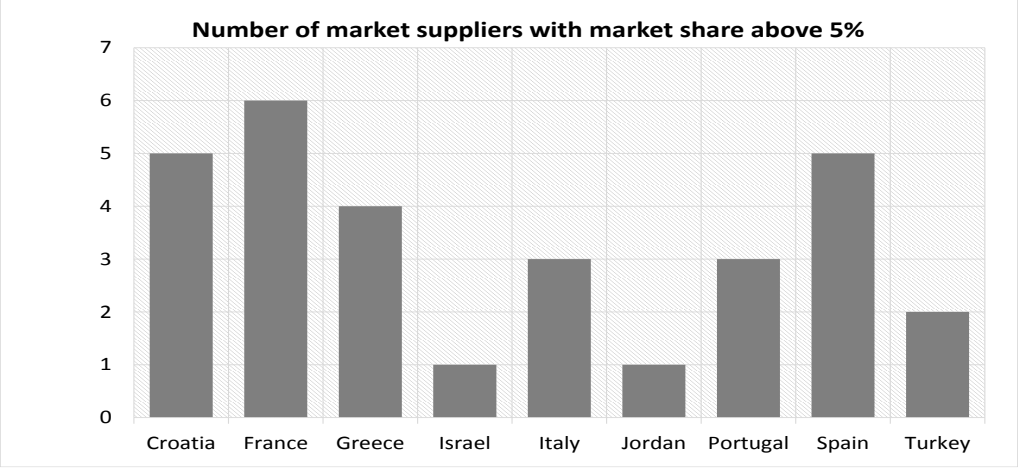
Figure 9: Market share of 3 largest suppliers for the non-household and household segments - % consumption

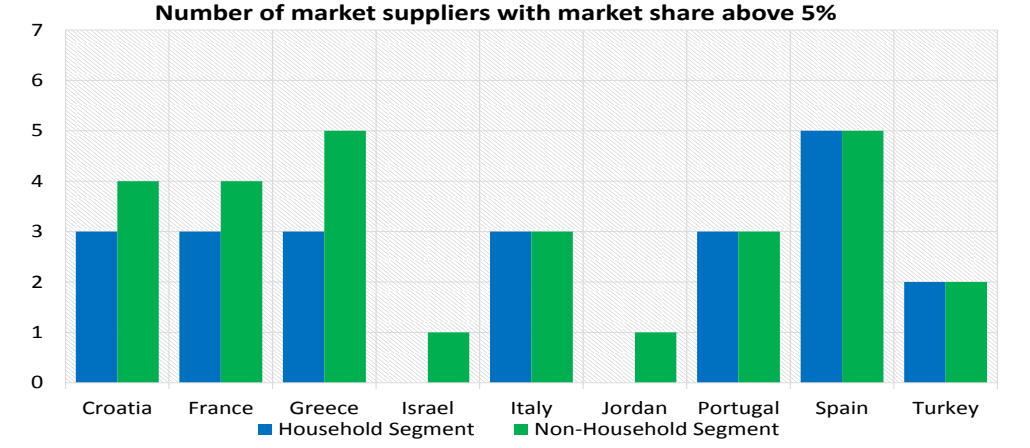




Note: Israel and Jordan don't have household customers

Figure 10: Number of market suppliers with market share above 5%





Note: Israel and Jordan don't have household customers

In Croatia, France, Italy and Spain the market share of the largest gas supplier is below 50%. For the other MEDREG members, this share is above 50%, with 100% in Jordan (where there is only one market supplier). Greece and Israel also have very high values, with 95% and 98.5% respectively.

Concerning the market share of the three largest gas suppliers, only Italy has a value below 50%, which could be expected given the high number of suppliers active in the market. All other MEDREG members have higher values. Israel and Jordan have a value of 100%, but both countries have less than 3 gas suppliers. Greece also has a value of 100%, with a total of 5 gas suppliers.

The analysis of Figure 9 shows that in all the countries, except Italy and France, the market share of the three largest gas suppliers is higher in the non-household segment than in the household segment, which in some way corresponds to a higher concentration index for the non-domestic segment.

Additionally, the analysis of Figure 10 shows that Croatia, France and Spain are the countries where there is a higher number of gas suppliers with a market share (in volume of gas) higher than 5%. The same analysis for the different market segments shows that the number of gas suppliers

with a market share above 5% is higher (or equal) in the non-household segment than in the household segment.

2.1.5. Product differentiation

The possibility to contract different products is yet another metric to assess the status of competition. This indicator can be measures as the number of commercial offers for the gas household segment in each MEDREG member, at the end of 2014 (31 December 2014)[5].

For the non-household segment, this indicator is more difficult to evaluate as the offers are often customized (negotiated bilaterally) for each gas customer.

Over the last couple of years, retail energy markets have witnessed increased evidence of product innovation. The innovation in retail products includes characteristics such as contract duration, price preservation periods, dual-fuel offers, provision of additional services or renewable/green features. Overall product diversification strategies are increasing not only for new entrants, but also for incumbent suppliers, who are adjusting their schemes in order to enhance consumer loyalty, market shares and margins.

The following figures present an analysis of the information received regarding product differentiation of offers. The analysis includes the following countries: France, Greece, Italy, Portugal and Spain.

Figure 11: Number of market offers for household segment

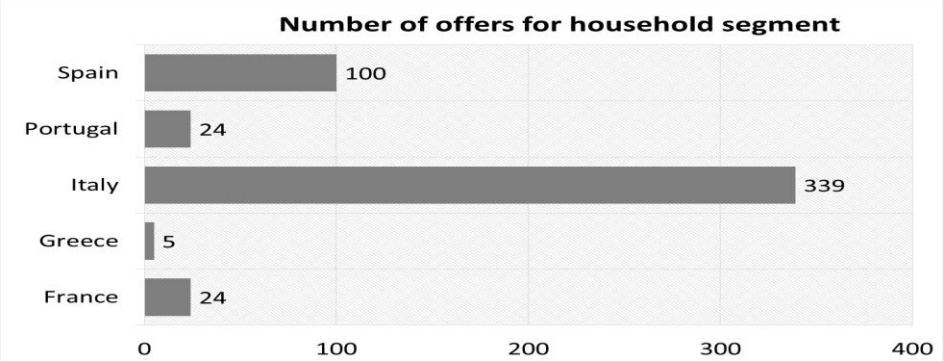
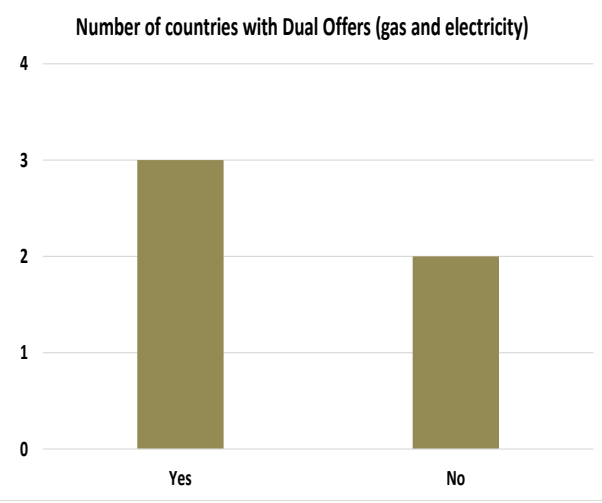
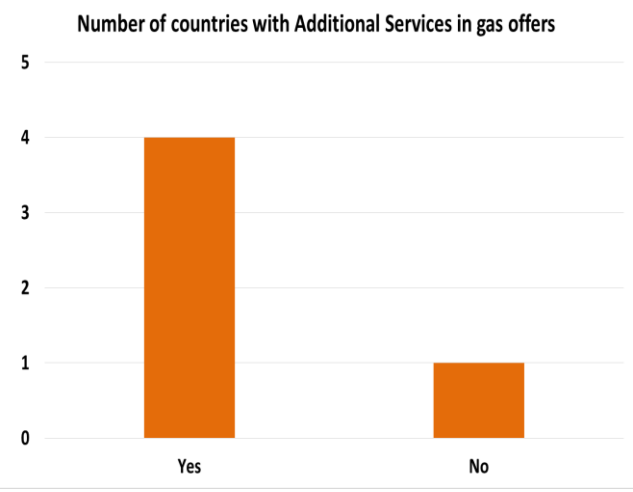


Figure 12: Commercial offers for household segment





[5] For Israel and France: 31 December 2015.

Italy is the country with the highest number of commercial offers in the gas market, with 339 offers by the end of 2014. The number of commercial offers is also very high in Spain with 100 offers by the end of 2014.

Among the countries analyzed there are 3 (Italy, Portugal and Spain) with dual offers and 4 (France, Italy, Portugal and Spain) with services included in the gas offers.

2.1.6. Consumer switching activity

Another important indicator of market functioning relates to the degree of consumer activity on the market, that is the amount of supplier switching. This indicator can be measured as the number of customers changing gas suppliers in relation to the total number of customers, for the household and non-household segments, in each MEDREG member at the end of 2014 (31 December 2014) [6].

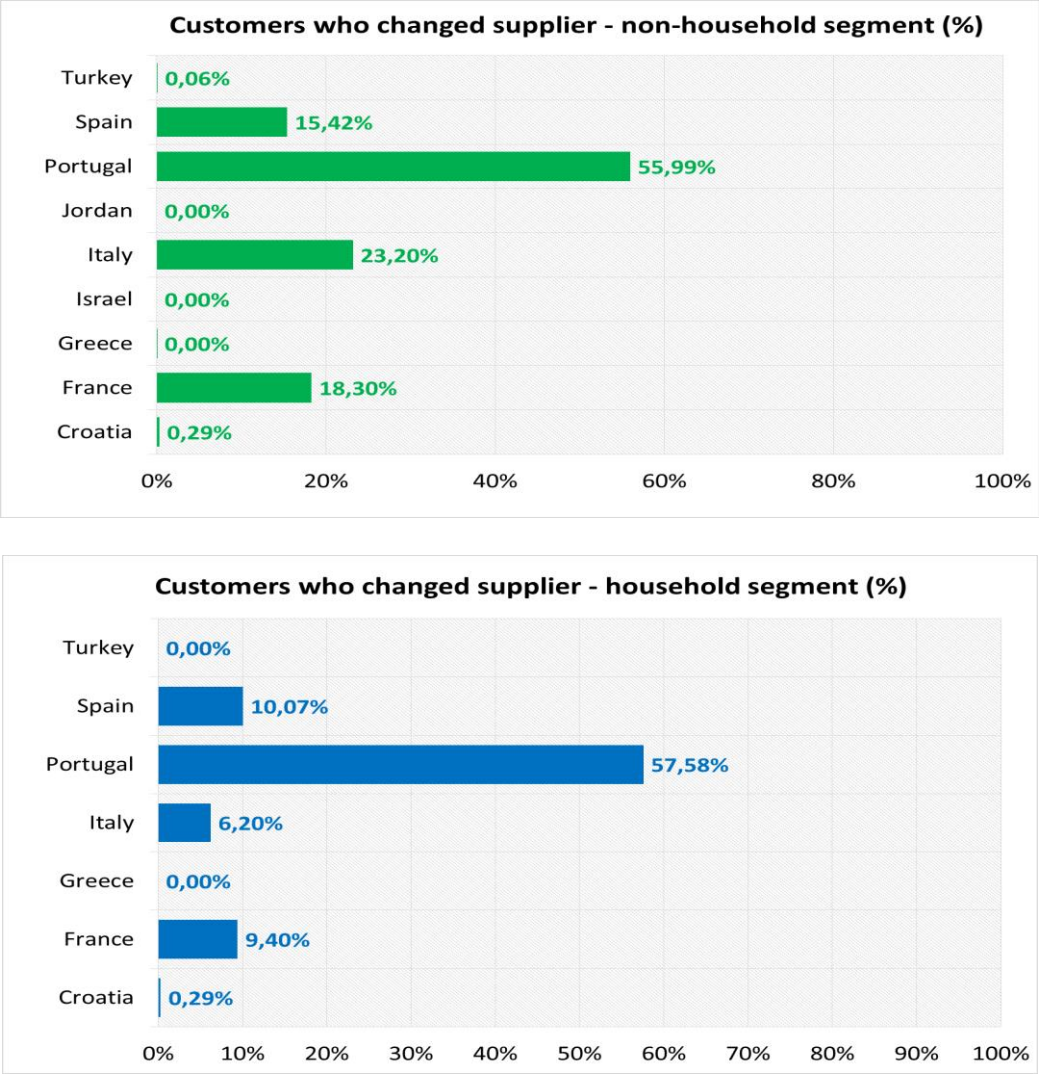
Consumer switching rates are an important dimension of energy market competitiveness and have the advantage of being objective, measurable and comparable between markets.However, while higher switching rates are indicative of more competitive markets, they must be carefully interpreted and not considered in isolation from other competition indicators.

Switching rates are, for example, sometimes higher during the early stages of market opening, after consumers first exercise their right to choose supplier, but may then stabilize as a market matures. On the other hand, if consumers are satisfied with their current suppliers they may have no reason to change supplier (e.g. their current supplier delivers competitively priced products and good quality service), thus switching rates may be low even in a very competitive market.

The following figures present an analysis of information concerning consumer switching activity. The analysis includes the following countries: Croatia, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey. Egypt is not included in the analysis because the gas market is still fully regulated.

[6] For Israel and France: 31 December 2015.

Figure 13: Customers who changed supplier (% consumption)



Portugal is the country with the highest switching rate for both market segments, with values above 50%. This situation can be explained by the initial stages of the liberalization process in this country.

Countries such as France, Italy and Spain have switching rates between 15% and 23% for the non-household segment, and between 6% and 10% for the household segment. These three markets began the liberalization process earlier and to a certain extent are more mature markets.

Finally, countries like Croatia, Greece, Jordan and Turkey have switching rates near 0%.

In all the countries, except for Portugal, the switching rates for the non-household segment are higher than for the household segment.

2.1.7. Additional indicators

According to Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009, concerning common rules for the internal market in natural gas, energy poverty was considered a growing problem in the European Union. As a result, affected EU Member States should develop national action plans or other appropriate frameworks to tackle energy poverty, aiming at decreasing the number of people suffering from such a situation. Whatever the case, EU Member

States should ensure the necessary gas supply to vulnerable customers. In doing so, an integrated approach, such as in the context of social policy, could be used and measures could include social policies or energy efficiency improvements. In particular, it should be ensured that there are adequate safeguards to protect vulnerable customers.

With regard to protection of vulnerable customers, countries may take appropriate measures to protect final customers in remote areas who are connected to the gas system, and may appoint a supplier of last resort with regulated prices for customers connected to the gas system (namely social gas tariffs).

In this context, the concept of vulnerable customers may refer to:

- Energy poverty;
- Prohibition of disconnection of gas to such customers in critical times;
- Measures to protect final customers in remote areas.

EU Directive 2009/73/EC also establishes a set of consumer protection measures that might be applied simultaneously, in particular on the protection of consumers in respect of distance contracts and unfair terms in consumer contracts.

Concerning dispute settlement, consumers shall also benefit from transparent, simple and inexpensive procedures for dealing with their complaints. In particular, EU legislation provides that all consumers should have the right to a good standard of service and complaint handling by their gas service provider. Such out-of-court dispute settlements procedures should enable disputes to be settled fairly and promptly, in a reasonable time period.

As regards these consumer related aspects, it is worth recalling MEDREG's previous work in this area and its consumer-related reports, which also include the issues of social tariff and the supplier of last resort. Thereby, and when applicable, the answers to this document may refer to the answers already included in previous questionnaires.

Ten of the eleven countries surveyed provided information on additional indicators on dispute settlement services available to consumers, namely Croatia, Cyprus, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey. In Egypt, the introduction of such services is under evaluation and preparation. Alternative dispute settlements can be assured by independent bodies, such as an energy ombudsman and energy authorities, governmental bodies, or local non-governmental bodies.

The information collected regarding promptness, cost and effective complaint handling procedures show multiple approaches to these concepts. In Cyprus, although there is no gas consumption, complaints related to transmission, LNG, distribution and storage, are settled by the Cyprus Energy Regulatory Authority (CERA), whose decisions are binding.

In Greece, Jordan, Portugal, Spain and Turkey, the energy regulatory authority is responsible for receiving and mediating conflicts between a consumer and energy operators or suppliers. Greece and Portugal refer that if any illicit act is identified, the national regulator can also impose a fine, by opening a sanctions procedure.

In France, although there is no legal and common definition of "customer complaint", multiple bodies perform complaint handling. There are no statutory complaint handling standards for service providers, although there is a voluntary code of conduct "charter" for suppliers. Contracts inform about the services that provide inexpensive assistance for handling complaints and also prescribe a 3-month maximum period to handle complaints.

In Italy, the complaint handling procedure is the responsibility of the Conciliation Service which is activated by electricity and gas end users, an arbitrator performs the mediation.

Egypt and Israel indicated that there are currently no handling procedures in place.

Cyprus, Egypt, Israel, Jordan, Spain and Turkey do not have a formal definition of vulnerable customers and do not have, at national level, any special instrument related to energy poverty, social tariffs or energy efficiency improvements.

In Croatia, France, Greece and Portugal, vulnerable customers are physical persons, households, who have been recognized, by competent social services or other authorities, as having insufficient resources. In Greece, health and age are also vulnerability criteria.

Italy is the only country that includes, in its definition for vulnerable consumers, non-household clients (consuming less than 50,000m^3/y) and consumers who own public or private structures that operate recognized assistance services (ex: hospitals, prisons, schools, etc.).

France, Italy and Portugal apply social tariffs or gas bonuses, for those who are eligible as vulnerable customers. Spain reports that at local level there are some initiatives to tackle energy poverty.

Concerning a supply of last resort (SLR) only Croatia, Italy, Portugal and Spain reported the existence of this function.

In Croatia, the SLR provides energy to household and non-household customers who have lost their supplier, pursuant to regulated conditions.

In Italy, the SLR serves vulnerable customers who remain without a supplier. In Portugal, a similar approach applies, although the SLR can also provide non-household customers that have not chosen a new supplier in the liberalized market.

In Spain, there are 5 suppliers of last resort that serve gas consumers connected at pressure <=4 bar and annual consumption is under 50.000m^3/y. These SLR do not apply any discount or penalty to their customers.

With regard to these indicators, it is possible to identify a common line between countries in order to provide accessible and expeditious dispute resolution instruments. This line is less visible with respect to the concepts of vulnerability and even less with respect to the instruments available to respond to vulnerability.

2.2. Retail prices for gas consumers

The degree of liberalization of gas markets affects the data collection on retail prices. The methodology to be used must be in line with the market characteristics. In this context and in order to accomplish our objectives, MEDREG recommends using different methodologies to collect the gas retail prices among the MEDREG members. These methodologies have to be harmonized among the different countries so that comparable results are ensured.

2.2.1. EUROSTAT methodology

The EUROSTAT methodology is applied in European countries. Eurostat collects information on retail gas prices available in so-called consumer bands, for household and non-household consumers. These prices are reported to EUROSTAT by each country as national average prices, calculated using the gas prices reported by the different gas suppliers in each country, over a pre-defined period (e.g. 6-month period) and are based on a system of standard consumption bands defined by a range of annual gas consumption.

In markets where the liberalization process is already underway, with different market suppliers, gas tariffs or price schemes vary from one supplier to another. They may result from negotiated contracts, especially for large non-household users. For smaller consumers, they are generally set according to the amount of gas consumed along with a number of other characteristics.

In this situation, there is no single price for gas. In order to compare prices over time and between countries, the so-called EUROSTAT methodology can be used, where gas prices are calculated for selected consumption bands for household and non-household consumers.

The bands considered for the household segment are presented in Table 2. Table 3 presents the same information for the non-household segment.

Table 2: Consumption intervals of the household segment bands

Household Consumers	Annual consumption intervals (GJ) (Lowest and Highest Limits)		Annual consumption intervals (kWh) (Lowest and Highest Limits)		Annual consumption intervals (m3) (Lowest and Highest Limits)	
Band D1	0	20	0	5.557	0	476
Band D2	20	200	5.557	55.566	476.266	4.763
Band D3	200	-	55.566	-	4.762.664	-

Table 3: Consumption intervals of the non-household segment bands

Non-Household Consumers	Annual consumption intervals (GJ) (Lowest and Highest Limits)		Annual consumption intervals (MWh) (Lowest and Highest Limits)		Annual consumption intervals (m3) (Lowest and Highest Limits)	
Band I1	0	1.000	0	278	0	23.813
Band I2	1.000	10.000	278	2.778	23.813	238.133
Band I3	10.000	100.000	2.778	27.783	238.133	2.381.332
Band I4	100.000	1.000.000	27.783	277.830	2.381.332	23.813.320
Band I5	1.000.000	4.000.000	277.830	1.111.320	23.813.320	95.253.278
Band I6	4.000.000	-	1.111.320	-	95.253.278	-

This methodology is used by all MEDREG members that already report retail gas prices to EUROSTAT. The information shared corresponds to the retail gas prices for the second semester of 2014 in the format of the following table.

Table 4: Retail gas prices - EUROSTAT methodology

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20				
Band D2	20	200				
Band D3	< 200					

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000				
Band I2	1 000	10 000				
Band I3	10 000	100 000				
Band I4	100 000	1 000 000				
Band I5	1 000 000	4 000 000				
Band I6	> 4 000 000					

Notwithstanding the above, the methodology used to report on prices is an NRA decision. Thus, there could be countries that apply a different methodology, in which case the methodology has been described.

2.2.2. Methodology with standard household and non-household end-user profiles

For gas markets with mostly regulated prices, where energy consumers are primarily supplied under a regulated price regime, the information on gas retail prices can be achieved by “standard” household and non-household end-user profiles defined by their annual consumption and prices calculated for the pre-defined consumption and modulation characteristics. Prices recorded are to be based on the tariffs, contracts, conditions and rules in force in a pre-defined period of time.

As previously mentioned for the gas markets with mostly regulated prices, where energy consumers are supplied primarily under the regulated price regime, the information on gas retail prices can be achieved by “standard” household and non-household end-users profiles defined by their annual consumption, modulation and prices being calculated for the pre-defined consumption characteristics. The prices recorded are based on the situation at the end of December 2014.

- For countries that are currently closed to retail competition, the prices used correspond to the regulated gas prices established by NRAs/Government of each country.
- For countries where the retail gas market liberalization process is already in progress, the prices used can be a mix of market prices of the dominant or dominant suppliers (market share > 50%), which can include regulated tariffs.

The methodology reflects the prices paid by these “standard customers” in the different MEDREG members, at the end of December 2014.

The standard consumer profiles considered for the household segment are presented in Table 5. Table 6 presents the same information for the non-household segment.

Table 5: Consumption profiles of the standard household consumers

Household Consumers	Annual gas consumption (GJ)	Modulation (days) *	Annual gas consumption (kWh)	Modulation (days) *	Annual gas consumption (m^3)	Modulation (days) *
Consumer D1	10	50	2.778	50	238	50
Consumer D2	100	50	27.783	50	2.381	50
Consumer D3	1.000	50	277.830	50	23.813	50

* If applicable

Table 6: Consumption profiles of the standard non-household consumers

Non-Household Consumers	Annual gas consumption (GJ)	Modulation (days) *	Annual gas consumption (kWh)	Modulation (days) *	Annual gas consumption (m^3)	Modulation (days) *
Consumer I1	500	200	139	200	11.907	200
Consumer I2	5.000	200	1.389	200	119.067	200
Consumer I3	50.000	250	13.892	250	1.190.666	250
Consumer I4	500.000	330	138.915	330	11.906.660	330
Consumer I5	2.000.000	330	555.660	330	47.626.639	330
Consumer I6	5.000.000	330	1.389.150	330	119.066.598	330

* If applicable

MEDREG members obtained the different components of the gas tariffs in place at the end of December 2014. These tariffs were multiplied by the different quantities defined by the "standard consumers" (gas consumption levels and / or modulation) in order to obtain the gas consumer bill. The relation between this amount of money and the total annual gas consumption of each "standard consumer" corresponds to the average gas retail prices to be provided in the format of the following table.

Table 7: Retail gas prices - Methodology with standard end-user profiles

Household end-user	**Annual gas consumption (GJ)**	**Modulation (days) ***	**Retail gas prices (€/kWh)**		
			Prices excluding taxes and levies	**Prices excluding VAT and other recoverable taxes**	**Prices including all taxes, levies and VAT**
Consumer 1	10	50			
Consumer 2	100	50			
Consumer 3	1 000	50			

* If applicable

Industrial end-user	**Annual gas consumption (GJ)**	**Modulation (days)**	**Retail gas prices (€/kWh)**		
			Prices excluding taxes and levies	**Prices excluding VAT and other recoverable taxes**	**Prices including all taxes, levies and VAT**
Consumer 1	500	200			
Consumer 2	5 000	200			
Consumer 3	50 000	250			
Consumer 4	500 000	330			
Consumer 5	2 000 000	330			
Consumer 6	5 000 000	330			

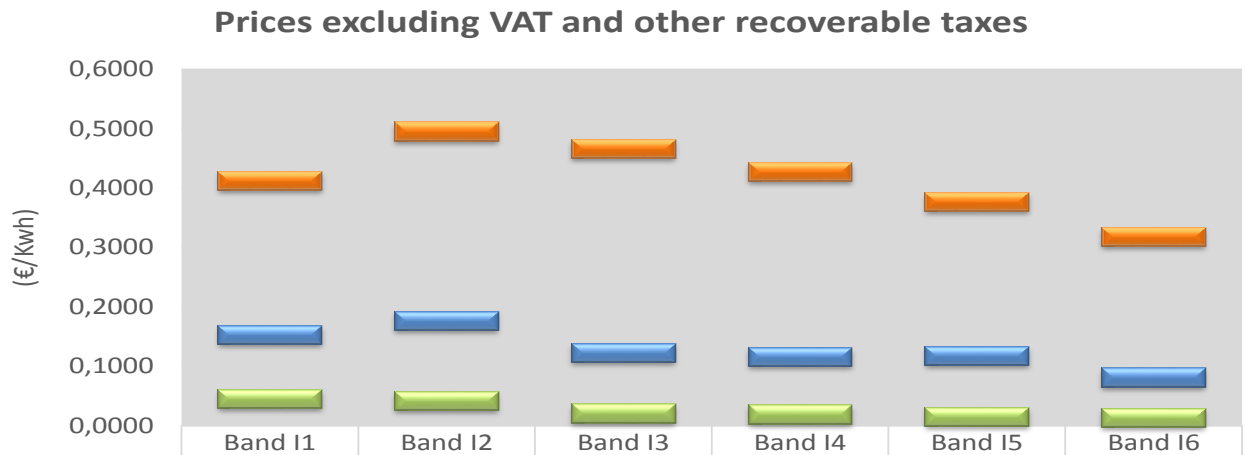
2.2.3. Retail gas prices analysis

Using the information received from the different MEDREG members,[7] it is possible to obtain a general overview of gas retail prices in these countries. Because information of Egypt

Non-household segment

Figure 14 presents the gas retail prices for the non-household segment, excluding VAT and other recoverable taxes. The average, the minimum and the maximum prices for each standard consumer of MEDREG countries are presented.

Figure 14: Retail gas prices in MEDREG countries for the non-household segment (average, minimum and maximum prices)



	Band I1	Band I2	Band I3	Band I4	Band I5	Band I6
Maximum	0,4130	0,4960	0,4670	0,4280	0,3780	0,3186
Average	0,1533	0,1769	0,1234	0,1160	0,1180	0,0819
Minimum	0,0453	0,0424	0,0214	0,0198	0,0150	0,0135

The diversity of retail gas prices for each type of non-household consumer is very high in the MEDREG countries analysed.

As might be expected, Band I6 has the lowest medium retail gas price (81,9 €/MWh) and Band I2 is the band with the highest medium retail gas price (176,9 €/MWh).

The analysis of the minimum and maximum retail gas prices, for the different consumption bands, shows that gas prices decrease for the bands with higher gas consumption (an exception for the band I1 where the maximum price is lower than band I2).

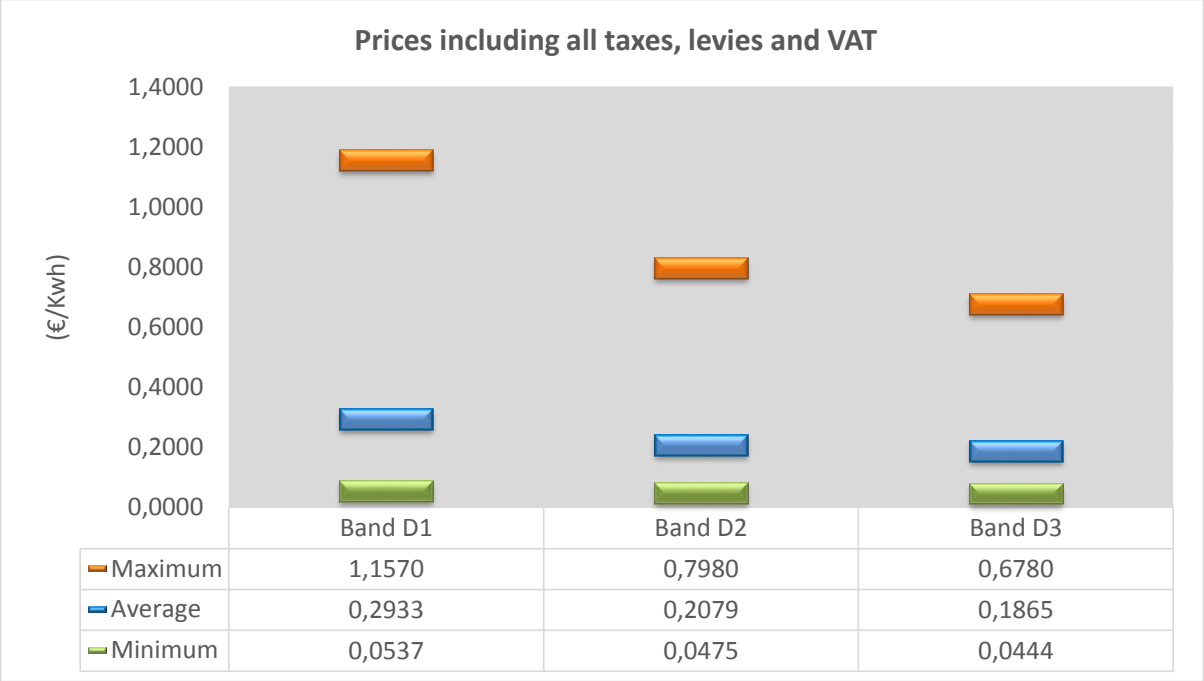
The difference between the maximum and minimum gas prices is lower for bands I5 and I6 and has the highest value for the band I2.

Household segment

The following figure presents the average value for the gas retail price, including all taxies, levies and VAT, for the non-household segment. It is also presents the minimum, maximum and medium price for each standard consumer.

[7] The information from Egypt is not used in the analysis because it is not comparable with the price information received from the other MEDREG members..

Figure 15: Retail gas prices in MEDREG countries for the household segment (average, minimum and maximum prices)



	Band D1	Band D2	Band D3
Maximum	1,1570	0,7980	0,6780
Average	0,2933	0,2079	0,1865
Minimum	0,0537	0,0475	0,0444

Once can observe a very high variety of retail gas prices in the MEDREG countries analysed for the household segment.

As might be expected, Band D3 has the lowest medium retail gas price (186,5 €/MWh) and Band D1 has with the highest medium retail gas price (293,3 €/MWh).

The analysis of the minimum and maximum retail gas prices, for the different consumption bands, shows that the gas prices decrease for the bands with higher gas consumption. The difference between the maximum and minimum gas prices is lower for band D3 and has the highest value for the band D1.

3. Main Conclusions

The analysis of the different market indicators shows that there are major differences between the different gas markets in the MEDREG countries surveyed.

Gas markets among MEDREG members are quite diverse in terms of total energy demand and total number of customers. Large markets like Italy, France, Turkey, Spain and Egypt coexist with small ones like Jordan, Israel, Greece, Croatia and Portugal.

It is also possible to see that the distribution of gas demand between the household and non-household segments is quite varied. Some countries have no demand in the household segment, like Israel and Jordan. On the other hand, in countries like Croatia, Italy, France and Spain, household demand accounts for more than 20% of all national gas demand.

There are also significant differences between countries in terms of the level of liberalization of the gas retail market. In countries such as Egypt and Jordan, all consumers are in the regulated market, with the application of regulated and administrative gas prices.

However, countries such as France, Portugal, Spain and Turkey show a clear degree of liberalization. In terms of gas consumption being supplied under a liberalized market environment, these countries have values above 80%, although the percentage for the number of customers in the liberalized markets is lower. This situation can be explained by the fact that non-household customers enter the market with non-regulated gas prices before household customers.

There are evident differences among the MEDREG countries concerning the geographical coverage for gas suppliers. For the non-household segment, countries like Egypt and Israel have gas suppliers with local activity exclusively, while countries like Croatia, Italy, Jordan, Spain and Turkey have gas suppliers with national activity only. France, Greece and Portugal have gas suppliers with both national and local activity. For the household segment, countries like Croatia, Egypt and Greece have gas suppliers with only local activity, while Spain and Turkey have gas suppliers with national activity. France, Italy and Portugal have gas suppliers with both national and local activity.

Concerning the market share of the three largest gas suppliers, only Italy has a value below 50%, which could be expected given the high number of suppliers active in the market. All other MEDREG members have higher values of market concentration. In all the countries, except Italy and France, the market share of the three largest gas suppliers is higher in the non-household segment than in the household segment, which in some way corresponds to a higher concentration index for the non- household segment.

Italy is the country with the highest number of commercial offers in the gas market, with 339 offers by the end of 2014. The number of commercial offers is also very high in Spain with 100 offers by the end of 2014.

Among the countries analyzed there are 3 (Italy, Portugal and Spain) with dual offers and 4 (France, Italy, Portugal and Spain) with services included in the gas offers.

Portugal is the country with the highest switching rate for both market segments, with values above 50%. This situation can be explained by the initial stages of the liberalization process in this country.

Countries such as France, Italy and Spain have switching rates between 15% and 23% for the non-household segment, and between 6% and 10% for the household segment. These three markets began the liberalization process earlier and to a certain extent are more mature markets.

Regarding dispute resolution, it is possible to identify a common line between countries as regards the provision of accessible and expeditious instruments. Only one country does not have dispute settlement mechanisms for consumers. Also, it is common for the national regulatory authorities to be responsible for dealing with energy sector complaints.

This line is less visible with respect to the concepts of vulnerability and even less with respect to the instruments available to respond to vulnerability. For a deeper and more fruitful analysis, more detailed information is needed to be able to correctly identify the concepts, the form of application and the objectives of the instruments chosen by each country.

It is important to state again that several limitations were encountered when carrying out this study, which prevented the results from being more detailed or complete, namely due to the (non-) availability of information for all countries. Obtaining comparable data for all MEDREG countries with natural gas markets is of primordial importance to be able to assess and compare the evolution of gas markets in the Mediterranean region. This assessment also provides regulators with an important contribution towards considering which areas may benefit from additional regulatory action, also when considering the experience and situation in neighboring countries. To that end, MEDREG hopes to repeat this exercise regularly.

Annex 1– Questionnaire

Annex 1.1 - Market Competition Indicators

This section provides the questions addressed to MEDREG members as part of this assessment exercise.

General overview of retail natural gas	
Natural gas consumption in the country, during 2014 (bcm)	
Percentage of natural gas demand in the household segment, during 2014 (bcm)	
Percentage of natural gas demand in the non-household segment, during 2014 (bcm)	
Share of natural gas in power generation, during 2014 (bcm)	
Number of gas consumers in the country (31st December 2014)	
Percentage of customers in the household segment (31st December 2014)	
Percentage of customers in the non-household segment (31st December 2014)	

Level of liberalization in the natural gas market	
What are the thresholds of elegibility to switch to the liberalized market?	
What was the percentage of total natural gas customers with non-regulated tariff, in the end of 2014 (31st December 2014)?	
What was the percentage of household natural gas customers with non-regulated tariff, in the end of 2014 (31st December 2014)?	
What was the percentage of non-household natural gas customers with non-regulated tariff, in the end of 2014 (31st December 2014)?	
What was the percentage of natural gas consumption with non-regulated tariff, in the end of 2014 (31st December 2014)?	
What was the percentage of household natural gas consumption with non-regulated tariff, in the end of 2014 (31st December 2014)?	
What was the percentage of non-household natural gas consumption with non-regulated tariff, in the end of 2014 (31st December 2014)?	

Number of active suppliers	
How many natural gas active suppliers you have in your country (31st December 2014)?	
How many natural gas active suppliers you have for household segment (31st December 2014)?	
For household segment how many active suppliers have nationwide activity and how many have only local activity (31st December 2014)?	
How many natural gas active suppliers you have for non-household (non-household) segment (31st December 2014)?	
For non-household segment how many active suppliers have nationwide activity and how many have only local activity (31st December 2014)?	

Market concentration index	
At the local level there are network operators that are also natural gas suppliers? In these cases, the customers from these regions may choose a different supplier? If yes, please describe the number of suppliers with market shares equal to or higher than 5% (household and non household segment), at the end of 2014 (31st December 2014)?	
What was the market share of the largest natural gas supplier, in percentage of total national gas consumption, at the end of 2014 (31st December 2014)?	
What was the market share of the three largest natural gas suppliers, at the end of 2014 (31st December 2014)?	
What was the market share of the three largest natural gas suppliers (household segment), at the end of 2014 (31st December 2014)?	
What was the market share of the three largest natural gas suppliers (non household segment), at the end of 2014 (31st December 2014)?	
How many natural gas suppliers existed with market shares equal to or higher than 5%, at the end of 2014 (31st December 2014)?	
How many natural gas suppliers existed with market shares equal to or higher than 5% (household segment), at the end of 2014 (31st December 2014)?	
How many natural gas suppliers existed with market shares equal to or higher than 5% (non-household segment), at the end of 2014 (31st December 2014)?	

Product differentiation	
How many natural gas coomercial offers existed at the end of December 2014, for household segment (total offers)?	
How many of those offers are single product (just commercial offer for gas)?	
How many of those offers are dual (natural gas and electricity offers)?	
How many of those offers include services (power quality services, energy efficiency services, engineering services to ensure complience with environmental regulation,...)?	

Consumer switching activity	
How many customers changed gas suppliers in the total number of customers, for the household segment, at the end of 2014 (31st December 2014)?	
How many customers changed gas suppliers in the total number of customers, for the non-household segment, at the end of 2014 (31st December 2014)?	

Additional indicators	
Are there in place effective means of dispute settlement for all consumers?	
Are there in place promptly, inexpensive and effective complaint handling procedures?	
It is defined what is understood by vulnerable customers? If so, please describe it and display the eligibility criteria.	
Are there in place an integrated approach aiming the decreasing of energy poverty, such as social policies, energy efficiency improvements or social gas tariffs?	
Are there last resort suppliers in your country? If so, please describe what market segment it covers (household/non-household), how many customers are supplied, if the applicable tariffs have some penalty or discount depending of the consumers vulnerability.	

Annex 1.2 – Questions on retail prices for gas consumers

The status of liberalization of gas markets affects the data collection of retail prices and the methodology to be used must be in line with the market characteristics. In this context and in order to accomplish our objectives, is recommended to use different methodologies to collect the gas retail prices among the MEDREG members. These methodologies have to be harmonized among the different countries so that comparable results are ensured.

Prices must be presented in Euros, using the prices in national currency of each country and the respective exchange rate.

3.1. EUROSTAT methodology

The EUROSTAT methodology is adopted in European countries. With this methodology it is collected information about retail gas prices achieved by the so called consumer bands, for household and non-household consumers. These prices are reported to EUROSTAT by each country as national average prices, calculated using the gas prices reported by the different gas suppliers in each country, over a pre-defined period (e.g. 6-months period) and are based on a system of standard consumption bands defined by a range of annual gas consumption.

This methodology will be used by all the MEDREG members that already report retail gas prices to EUROSTAT. The information to be shared will correspond to the retail gas prices for the second semester of 2014.

Retail gas prices (2nd semester 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20				
Band D2	20	200				
Band D3	< 200					

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000				
Band I2	1 000	10 000				
Band I3	10 000	100 000				
Band I4	100 000	1 000 000				
Band I5	1 000 000	4 000 000				
Band I6	> 4 000 000					

Notwithstanding the mentioned above, the methodology used in prices report it's a NRA decision. Thus, if is different from EUROSTAT methodology the MEDREG member should, in response to this document, refer it explicitly and describe the methodology used.

3.2. Methodology with "standard" household and non-household end-user profiles

This methodology must be used by all the MEDREG members where the EUROSTAT methodology is not being applied.

For the gas markets with mostly regulated prices, where energy consumers are dominantly supplied under the regulated price regime, the information about gas retail prices can be achieved by "standard" household and non-household end-users profiles defined by their annual consumption and prices being calculated for the pre-defined consumption and modulation characteristics. Prices recorded are to be based on the tariffs, contracts, conditions and rules in force in a pre-defined period of time.

It is necessary to define a "standard" gas consumption level and modulation[8] for the household and non-household customer. The main goal is to have representative consumption levels for the different MEDREG members that we know have very different consumption gas levels. For the household gas customer it will be used three different "standard consumers" and for the non-household gas customer it will be used six different "standard consumers".

The prices recorded are based on the tariffs, contracts, conditions and rules in force in the end of December 2014.

[8] Modulation can be defined as the ratio between the total annual energy consumption (kWh) and the maximum daily consumption (kWh/day) of that year and it is defined in days.

A. Incumbent regulated tariffs

For the gas markets still closed, or where the gas liberalization process is still starting, retail gas market prices to be used must correspond to the regulated gas prices established by NRAs/Government of each country.

Household end-user	Annual gas consumption (GJ)	Modulation (days) *	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	10	50			
Consumer 2	100	50			
Consumer 3	1 000	50			

* If applicable

Industrial end-user	Annual gas consumption (GJ)	Modulation (days)	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	500	200			
Consumer 2	5 000	200			
Consumer 3	50 000	250			
Consumer 4	500 000	330			
Consumer 5	2 000 000	330			
Consumer 6	5 000 000	330			

The MEDREG member must obtain the different components of the gas tariffs in place, at the end of December 2014. These tariffs will be multiplied by the different quantities defined by the “standard consumers” (gas consumption levels and / or modulation) in order to obtain the gas consumer bill. The relation between this amount of money and the total annual gas consumption of each “standard consumer” will correspond to the average gas retail prices presented in the table.

The MEDREG member must send the information about the gas tariffs that are used to fulfill the table with the average gas retail prices.

B. Market price of the largest gas supplier

For countries where the retail gas market liberalization process is already in progress, the prices to be used can be the commercial offer of the largest gas market supplier (different from the incumbent supplier).

Household end-user	Annual gas consumption (GJ)	Modulation (days) *	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	10	50			
Consumer 2	100	50			
Consumer 3	1 000	50			

* If applicable

Industrial end-user	Annual gas consumption (GJ)	Modulation (days)	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	500	200			
Consumer 2	5 000	200			
Consumer 3	50 000	250			
Consumer 4	500 000	330			
Consumer 5	2 000 000	330			
Consumer 6	5 000 000	330			

The MEDREG member must obtain the different components of the gas prices in place, at the end of December 2014. These prices will be multiplied by the different quantities defined by the “standard consumers” (gas consumption levels and / or modulation) in order to obtain the gas consumer bill. The relation between this amount of money and the total annual gas consumption of each “standard consumer” will correspond to the average gas retail prices presented in the table.

The MEDREG member must send the information about the gas prices that are used to fulfill the table with the average gas retail prices.

C. Mix of market prices offered by two or more suppliers

For countries where the retail gas market liberalization process is already in progress the prices to be used can be a mix of prices of different suppliers, which can include the incumbent supplier.

Household end-user	Annual gas consumption (GJ)	Modulation (days) *	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	10	50			
Consumer 2	100	50			
Consumer 3	1 000	50			

* If applicable

Industrial end-user	Annual gas consumption (GJ)	Modulation (days)	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	500	200			
Consumer 2	5 000	200			
Consumer 3	50 000	250			
Consumer 4	500 000	330			
Consumer 5	2 000 000	330			
Consumer 6	5 000 000	330			

The MEDREG member must obtain the different components of the gas prices in place, at the end of December 2014.

In this situation it will be necessary to calculate the average price according to the split between the energy of the different market suppliers.

- Retail gas price for market supplier 1 = Price of market supplier 1 x Energy market share of market supplier 1
- Retail gas price for market supplier 2 = Price of market supplier 2 x Energy market share of market supplier 2
- Retail gas price for market supplier 3 = Price of market supplier 3 x Energy market share of market supplier 3

...

- Total Price = Retail gas price for market supplier 1 + Retail gas price for market supplier 2 + + Retail gas price for market supplier 3 + ...

The retail gas price for each market supplier will be obtained using the methodology previously described.

The MEDREG member must send the information about the gas prices that are used to fulfill the table with the average gas retail prices.

Annex 2 – Market Competition Indicators – MEDREG member responses

This annex provides the input received from the MEDREG members regarding the market competition indicators assessed in the report. In the next tables, the market competition indicators are presented for the following countries: Croatia, Egypt, France, Greece, Israel, Italy, Jordan, Portugal, Spain and Turkey.

These market competition indicators address the following aspects: (i) General overview of gas retail market, (ii) Level of liberalization in the gas market, (iii) Number of active suppliers, (iv) Market concentration index, (v) Product differentiation, (vi) Consumer switching activity and (vii) Additional indicators related to protection of vulnerable customers.

Table 8 compiles the answers received regarding gas consumption and number of customers.

Table 9 compiles the answers received regarding the level of liberalization in the gas market

Table 10 compiles the answers received regarding the number of gas active suppliers.

Table 11 compiles the answers received regarding the market concentration index.

Table 12 compiles the answers received concerning the product differentiation.

Table 13 compiles the answers received concerning the consumer switching activity.

Table 14 compiles the answers received concerning additional indicators related to protection of vulnerable customers.

Table 8: General overview of gas retail market – answers received

Aspects addressed	Answers	Croatia	Egypt	France	Greece	Israel	Italy	Jordan	Portugal	Spain	Turkey
General overview of retail natural gas	**Natural gas consumption in the country, during 2014 (bcm)**	**2,3**	**48,8**	**45,6**	**3,0**	**8,4**	**63,8**	**0,4**	**3,7**	**25,4**	**48,7**
	Share of natural gas demand in the household segment	23,4%	4,1%	27,0%	8,6%	0,0%	29,0%	0,0%	8,0%	20,2%	19,1%
	Share of natural gas demand in the non-household segment (excluding power generation)	57,6%	31,8%	68,5%	35,8%	16,7%	55,2%	0,0%	84,0%	62,7%	32,9%
	Share of natural gas in power generation	19,0%	64,1%	4,5%	55,6%	83,3%	15,8%	100,0%	8,0%	17,1%	48,0%
	Number of gas consumers in the country (31st December 2014) - thousands	**655**	**7 238**	**11 300**	**325**	**24**	**23 203**	**0,005**	**1 384**	**7 549**	**11 199**
	Share of customers in the household segment	92,2%	99,8%	94,1%	93,8%	0,0%	89,9%	0,0%	99,7%	99,3%	96,1%
	Share of customers in the non-household segment	7,8%	0,2%	5,9%	6,2%	100,0%	10,1%	100,0%	0,3%	0,8%	3,9%

Table 9: Level of liberalization in the gas market – answers received

Aspects addressed	Answers	Croatia	Egypt	France	Greece	Israel	Italy	Jordan	Portugal	Spain	Turkey
Level of liberalization in the natural gas market	What are the thresholds of elegibility to switch to the liberalized market?	Every gas customers can switch to the liberalized market (in the household and non-household segment).	Currently the Egyptian gas market is still closed .The eligibility criteria is not yet set. The Gas Regulatory affairs division is currently preparing some recommendations to the competent authorities.	Since 2007, every customer can switch to liberalized market. Regulated prices had been removed recently for some customers, who had to switch to the liberalized market . According to the L. 445-4 article of the energy code, modified by a law on consumption of the 17 March, regulated prices for non household customers disappeared : - The 19 of June 2014, for non-household consumers, connected to the transmission network - The 31 of December 2014 for non-household consumers with an annual consumption superior to 200 000 kWh - The 31 of December 2015 for non-household consumers with an annual consumption superior to 30 000 kWh	On 31.12.2014, only the following customers were eligible: a. All non-household customers outside the 3 concession areas. b. Large customers, i.e. with consumption greater than 100 000 GWh/year c. All electricity producers	There was no process of liberalization in the Israeli Market	No thereshol ds.	* Fajr Company implemented the main NG pipeline on build, own, operate and transfer basis (BOOT) under the License Agreement. By 2022 (the end of the exclusivity period), Fajr Company will unbundle its activities into two companies; one for transport which own the pipeline and the other for selling gas to consumers.* NPC is the responsible company to produce the local NG from Risha gas field to 1 power generation. In 2014, NPC produced 12.7 MM scf/day.	Since January 2010 all the natural gas costumers can switch to the liberalized market.	All consumers are in the liberalized market since the 1st January 2003.	No limit for non-household, 75.000 m3 for household.
	What was the percentage of total natural gas customers with non-regulated tariff, in the end of 2014 (31st December 2014)?	100,0%	0,0%	44,0%	0,0%	100,0%	99,6%	0,0%	60,0%	74,7%	3,9%
	What was the percentage of household natural gas customers with non-regulated tariff, in the end of 2014 (31st December 2014)?	100,0%	0,0%	41,0%	0,0%	0,0%	100,0%	0,0%	60,0%	74,5%	0,0%
	What was the percentage of non-household natural gas customers with non-regulated tariff, in the end of 2014 (31st December 2014)?	100,0%	0,0%	82,0%	0,3%	100,0%	100,0%	0,0%	75,0%	100,0%	100,0%
	What was the percentage of natural gas consumption with non-regulated tariff, in the end of 2014 (31st December 2014)?	100,0%	0,0%	83,0%	81,5%	100,0%	47,2%	0,0%	94,8%	97,0%	80,9%
	What was the percentage of household natural gas consumption with non-regulated tariff, in the end of 2014 (31st December 2014)?	23,0%	0,0%	41,0%	0,0%	0,0%	48,0%	0,0%	53,7%	97,0%	0,0%
	What was the percentage of non-household natural gas consumption with non-regulated tariff, in the end of 2014 (31st December 2014)?	76,0%	0,0%	99,0%	89,2%	100,0%	52,0%	0,0%	98,4%	100,0%	100,0%

Answers that need confirmation from the MEDREG member.

Table 10: Number of active suppliers – answers received

Aspects addressed	Answers	Croatia	Egypt	France	Greece	Israel	Italy	Jordan	Portugal	Spain	Turkey
Number of active suppliers	How many natural gas active suppliers you have in your country (31st December 2014)?	44	14	69	5	2	541	1	18	41	33
	How many natural gas active suppliers you have for household segment (31st December 2014)?	34	14	47	4	0	231	0	14	33	25
	For household segment how many active suppliers have nationwide activity and how many have only local activity (31st December 2014)?	0	0	9	0	0	60	0	3	33	25
	How many natural gas active suppliers you have for non-household segment (31st December 2014)?	44	14	69	5	2	310	1	18	26	33
	For non-household segment how many active suppliers have nationwide activity and how many have only local activity (31st December 2014)?	44	0	48	2	0	310	1	7	26	33

Table 11: Market concentration index – answers received

Aspects addressed	Answers	Croatia	Egypt	France	Greece	Israel	Italy	Jordan	Portugal	Spain	Turkey
Market concentration index	**At the local level there are network operators that are also natural gas suppliers? In these cases, the customers from these regions may choose a different supplier? If yes, please describe the number of suppliers with market shares equal to or higher than 5% (household and non household segment), at the end of 2014 (31st December 2014)?**	There are network operators that are also natural gas suppliers (only unbundled accounts). The customers from these regions can choose a different supplier. There are 5 suppliers with market shares equal to or higher than 5%.	The Market is still closed.	Yes, local distributors with less than 100 000 customers. Yes customers can choose the supplier they want. But competition is rather low in these regions, especially in the household segment. At the local level, only one alternative supplier has a market share higher than 5 % (in volume on households and non households) at the end of 2015 (4 other alternative suppliers have a market share higher than 2,5 %).	In the 3 concession areas, the network operator is also the only supplier. Customers in these regions cannot choose a different supplier.	No.	Yes. 3 network operatores that are also natural gas suppliers.	There were no distribution network, but the main pipleine operator is also the NG supplier. And no need to choose different supplier.	Yes, 11 distribution network operators are also natural gas suppliers (LRS). In these regions the costumers can choose the nationwide market suppliers. For the household segment there are 3 market suppliers and also 1 LRS with market share higher than 5%. For the non-household segment there are 3 market suppliers with market share higher than 5%.	No. The same company cannot be network operator and supplier. It is possible to have different companies belonging to the same group of companies developing these activities separately but not the same company.	No, the functional unbundling of BOTAS TSO and BOTAS Wholesale has been carried out.
	What was the market share of the largest natural gas supplier, in percentage of total national gas consumption, at the end of 2014 (31st December 2014)?	22,7%	0,0%	38,0%	95,0%	98,5%	24,6%	100,0%	54,3%	46,5%	79,8%
	What was the market share of the three largest natural gas suppliers, at the end of 2014 (31st December 2014)?	58,5%	0,0%	58,0%	100,0%	100,0%	36,1%	100,0%	80,0%	71,5%	90,2%
	What was the market share of the three largest natural gas suppliers (household segment), at the end of 2014 (31st December 2014)?	63,7%	0,0%	92,0%	100,0%	0,0%	38,2%	0,0%	54,0%	58,2%	90,2%
	What was the market share of the three largest natural gas suppliers (non household segment), at the end of 2014 (31st December 2014)?	75,8%	0,0%	48,0%	100,0%	100,0%	36,1%	100,0%	84,0%	83,4%	90,0%
	How many natural gas suppliers existed with market shares equal to or higher than 5%, at the end of 2014 (31st December 2014)?	5	0	6	4	1	3	1	3	5	2
	How many natural gas suppliers existed with market shares equal to or higher than 5% (household segment), at the end of 2014 (31st December 2014)?	3	0	3	3	0	3	0	3	5	2
	How many natural gas suppliers existed with market shares equal to or higher than 5% (non-household segment), at the end of 2014 (31st December 2014)?	4	0	4	5	1	3	1	3	5	2

Table 12: Product differentiation – answers received

Aspects addressed	Answers	Croatia	Egypt	France	Greece	Israel	Italy	Jordan	Portugal	Spain	Turkey
Product differentiation	How many natural gas coomercial offers existed at the end of December 2014, for household segment (total offers)?	No data.	0	24	5	0	339	0	24	100	No data.
	How many of those offers are single product (just commercial offer for gas)?	No data.	0	24	5	0	40	0	7	32	No data.
	How many of those offers are dual (natural gas and electricity offers)?	No data.	0	0	0	0	40	0	11	63	No data.
	How many of those offers include services (power quality services, energy efficiency services, engineering services to ensure complience with environmental regulation,...)?	No data.	0	Data not available.	0	0	40	0	6	30	No data.

Answers that need confirmation from the MEDREG member.

Table 13: Consumer switching activity – answers received

Aspects addressed	Answers	Croatia	Egypt	France	Greece	Israel	Italy	Jordan	Portugal	Spain	Turkey
Consumer switching activity	**How many customers changed gas suppliers in the total number of customers, for the household segment, at the end of 2014 (31st December 2014)?**	0,29%	No data.	9,40%	0,00%	No data.	6,20%	No data.	57,58%	10,07%	0,00%
	How many customers changed gas suppliers in the total number of customers, for the non-household segment, at the end of 2014 (31st December 2014)?	0,29%	No data.	18,30%	0,00%	0,00%	23,20%	0,00%	55,99%	15,42%	0,06%

Answers that need confirmation from the MEDREG member.

Table 14: Additional indicators – answers received (1/3)

Aspects addressed	Answers	Croatia	Cyprus	Egypt	France
Additional indicators	**Are there in place effective means of dispute settlement for all consumers?**	Yes.	CERA is designated as the body (energy ombudsman or consumer body) which acts as an independent mechanism in order to ensure efficient treatment of complaints and out-of-court dispute settlements.	Still under study and preparation.	Yes, Alternative dispute settlement (ADR) is available, free of charge. It is the Energy Ombudsman that is responsable for the ADR. Statutory complaint handling standards are set up for the ADR like: the issue of a prompt first answer or acknowledgement of the complaint, a lead time to solve the complaint, communication of complaint to the service provider(s) before coming to a decision/recommendation.
	Are there in place promptly, inexpensive and effective complaint handling procedures?	Yes.	Even though there is no gas market in Cyprus, the provisions of the directive 2009/73/EC regarding dispute settlement are in place. Therefore, any party having a complaint against a transmission, storage, LNG or distribution system operator in relation to that operator's obligations under this Directive may refer the complaint to CERA which, acts as dispute settlement authority, and issues decisions within a specific period after receipt of the complaint. CERA's decision shall have binding effect unless and until overruled on appeal.	Still under study and preparation.	There is no legal and binding definition of "customer complaint" available which is equally shared and used between market actors. But customers can find the contact details to whom to complain on their bills and in their contracts, so there is in place a promptly (complaints handled within three months), inexpensive complaint handling. However, no staturory complaint handling standards exists for service providers.
	It is defined what is understood by vulnerable customers? If so, please describe it and display the eligibility criteria.	Customers from the category of households who are entitled to supply under public service obligation, who select or automatically use this manner of supply, and have obtained a decision regarding their status of a vulnerable customer from the competent social services authority, are entitled to special protection.	Not yet.	Still under study and preparation.	It is a definition stated in a legal framework: Any person or family experiencing particular difficulties, especially in view of heritage, insufficient resources or living conditions, has the right to a support from the community to dispose of water, energy and telephone services supply in its housing.
	Are there in place an integrated approach aiming the decreasing of energy poverty, such as social policies, energy efficiency improvements or social gas tariffs?	The government issued Regulation on the criteria for acquiring the status of vulnerable customers for energy from network system, which is aiming at decreasing of energy poverty.	Not yet.	Still under study and preparation.	Yes, especially social tarifs that are in place. About 1.3 million households received TSS (Special solidarity tariff) at the end of 2015 to about 1.6 million potential beneficiaries households. Consumers in difficulty may benefit from an energy service maintenance and assistance to pay their bills in connection with social services, through the Solidarity Housing Fund (FSL) .
	Are there last resort suppliers in your country? If so, please describe what market segment it covers (household/non-household), how many customers are supplied, if the applicable tariffs have some penalty or discount depending of the consumers vulnerability.	Supplier of last resort - a supplier providing the public service of gas supply, pursuant to regulated conditions, to the final customers who lost their supplier under specific conditions. It covers household and non-household market segment.	Not yet.	Still under study and preparation.	There is no supplier of last resort.

Table 8: Additional indicators – answers received (2/3)

Aspects addressed	Answers	Greece	Israel	Italy	Jordan
Additional indicators	**Are there in place effective means of dispute settlement for all consumers?**	There are several bodies responsible for the dispute settlement of consumer complaints: a) the Greek Ombudsman, b) the Hellenic Consumer's Ombudsman, which is a public Independent Authority with an institutional role in dispute resolution, c) the General Consumer's Secretarial of the Ministry of Employment & Social Security and d) local non-governmental consumer organisations. RAE also makes the mediation of conflicts.	The Natural Gas Authority.	For dispute settlement since 2012 is on the Conciliation Service for Energy Customers (Servizio conciliazione clienti energia), established by the Authority pursuant to Article n. 44, paragraph 4 of Legislative Decree n.93/11. The service is managed in pooling by Single Buyer (AU).	Yes, any dispute arising should be notify to the Gas Industry Regulator to take final decision.
	Are there in place promptly, inexpensive and effective complaint handling procedures?	Any citizen can present a complaint (electricity and natural gas complaints) to RAE, through writing or RAE's website, for which RAE informs and mediates. If an ilicit act is identified, RAE may impose a fine. RAE also collects and reviews yearly all complaints filed directly with the gas companies. The natural gas suppliers and network operators also have the obligation to receive complaints and requests for information, its treatment and disclosure of the numbers of complaints and requests for information received and answered (annually). There is also provision for information on the website and the receipt of complaints and inquiries.	No.	The Conciliation Service is a voluntary ADR alternative dispute resolution service, which is activated by end users of electricity and natural gas for any issues that might arise (which are extrajudical in nature) against energy operators (the retailers and distributors) in cases of their unsatisfactory replay or a failure to complaints. This procedure is conducted entirely online and in presence of a third party arbitrator. The arbitrator is ab impartial expert in mediation.	Yes, there are procedures provided for in the license agreement signed on 25/1/2004.
	It is defined what is understood by vulnerable customers? If so, please describe it and display the eligibility criteria.	Yes, the following categories of consumers are included: • People with permanent disability caused by physical, psychological or mental impairment (people with movement disabilities, the blind and, generally, the sight-impaired, the deaf, those who have difficulty in understanding, communication and adaptation, patients with atherosclerosis, epilepsy, kidney failure, rheumatic diseases, heart diseases, etc.). • People suffering from temporary injury or disability caused by physical, psychological or mental impairment. • People with limited ability for professional employment, due to chronic physical or mental illness or injury. • People over 65 years of age, provided that they live alone, or with another person over the age of 65.	No.	Legislative Decree n. 93/11 defined "vulnerable" for domestic customers, non-domestic customers consuming less than 50,000 (m3)/year and consumers who own utilities relating to public service activities (i.e. users who own public or private structures that operates recognized assistance service, including hospitals, private clinics and rest homes, prisons and schools).	Not yet.
	Are there in place an integrated approach aiming the decreasing of energy poverty, such as social policies, energy efficiency improvements or social gas tariffs?	Only sporadic energy efficiancy programs.	No.	As of 31 December 2013, benefiting from the gas bonus for economic hardship 626,869 natural gas customers, whose applications, after meeting all the elegibility requiremets of their municipalities, were admitted to the facilitation after the verification conducted by the gas distribution companies.	Not yet.
	Are there last resort suppliers in your country? If so, please describe what market segment it covers (household/non-household), how many customers are supplied, if the applicable tariffs have some penalty or discount depending of the consumers vulnerability.	There was not at the end of 2014, as no "small" customers were eligible.	No.	Legislative Decree n. 93/11 establishes, also based on the provisions of Article 30, Paragraph 5 and 8 of Law n.99, of 23 July 2009, which criteria and procedures for the supply of natural gas under the service of last resort are to be identified and updated for all vulnerable customers who remain without a supplier for reasons beyond their control.	Not yet.

Table 8: Additional indicators – answers received (3/3)

Aspects addressed	Answers	Portugal	Spain	Turkey
Additional indicators	**Are there in place effective means of dispute settlement for all consumers?**	In Portugal there are different means of dispute settlement: - Law No. 23/96 of July 26 (Law No. 10/2013) refers mechanisms to protect essential public services' users (which include gas and electricity consumers). By the choice of the essential public services' users (singular person, excluding companies) disputes under the essential public services are subject to compulsory arbitration.Singular persons may require that the dispute is submitted to arbitration of consumer disputes arbitration centers legally authorized. Under the law, arbitration can only exist if there is agreement between the parties. In the particular situation the service provider of essential services does not have to give his consent, it depends only on the consumer's decision. - In addition to the compulsory arbitration, they are available the Justices of Peace, which are courts of 1st instance, who decide civil actions up to 15 000 €. These courts can be used by singular and colective persons and in the end of the process there is a final payment of 70 € if the part miss the action in court. For filing an action in this court is not required to appoint a lawyer. This court resolves conflicts through mediation, if that is the option of both parties, with the intervention of a mediator of conflicts or judgment, performed by a Justice of the Peace. - ERSE, as a regulator entity, also makes the mediation of conflicts of civil nature.	Yes.	Yes, Energy Market Regulatory Authority (EPDK) settles the disputes.
	Are there in place promptly, inexpensive and effective complaint handling procedures?	- Any citizen can present a complaint to ERSE (electricity and natural gas complaints), writing a letter or an e-mail (on the external site of ERSE), for which ERSE informs and mediates. If there is an identification of an ilicit act, which has sanctioning competence, ERSE may impose a payment. ERSE has skills to resource level, to situations that have been already submitted directly to the natural gas supplier. - The natural gas suppliers and network operators have the obligation to receive complaints and requests for information, its treatment and disclosure of the numbers of complaints and requests for information received and answered (annually). There are specific rules for Last Resource Supplier and network operator which require to provide various channels of access and response (written, personal and telephone). For supplierss under the market regime is mandatory the provision of information on the website and the receipt of complaints and inquiries.	Yes.	Yes, all consumers submit their comlaints by the online complaint system and the complaints are resolved by a time limit.
	It is defined what is understood by vulnerable customers? If so, please describe it and display the eligibility criteria.	Yes, it is. - The Decree-Law No. 101/2011 defines natural gas customers vulnerable consumers as consumers with social and economic needs, having the right to access to essential natural gas service supply. These vulnerable consumers thatmust be protected, in particular relating to price. - The elegible criterias for natural gas customers vulnerable consumers are the following: a) Beneficiaries of the solidarity supplement for the elderly; b) Beneficiaries of social integration income; c) Recipients of unemployment assistance; d) Beneficiaries of the 1st category of family allowance; e) Beneficiaries of social disability pension. - Eligible customers for application of the natural gas social tariff can also benefit from the social electricity tariff and can accumulate with other social supports.	It is not define in Spanish regulation for gas consumers.	No.
	Are there in place an integrated approach aiming the decreasing of energy poverty, such as social policies, energy efficiency improvements or social gas tariffs?	There is in practice an integrated approach the support the natural gas vulnerable customers. The definition of vulnerable customers is directly linked to the economic shortage in access to essential goods and the costs are suported by the State (all taxes payers) and the natural gas sector. Taking into account the need to protect the vulnerable customer in the natural gas sector, the Decree-Law No. 101/2011 defines the social tariff, opting for eligibility criterias that matches the benefits awarded under the social security system.	Not at national level. There are iniciatives at local level.	No.
	Are there last resort suppliers in your country? If so, please describe what market segment it covers (household/non-household), how many customers are supplied, if the applicable tariffs have some penalty or discount depending of the consumers vulnerability.	In Portugal there is a last resource natural gas supplier for the natural gas vulnerable customers (household segment) and also for all the customers (household and nonhousehold segments) that until the present moment didn't changed to a market supplier. Access tarifs and end users tariffs for the natural gas vulnerable consumers have a discount. The rules are defined in the Decree-Law No. 101/2011: - The natural gas social tariff is calculated by applying a discount on the grid access tariff at low pressure (for natural gas consumption lower than 500 m3/year). - The discount is determined by the Regulatory Authority Services Energy (ERSE). - The discount value is calculated taking into account the ceiling of the social end tariff, fixed annually by the Portuguese Government, taking into account the evolution of the expected costs for the natural gas sector.	Yes, in 2014 there were five LRS. It covers consumers connected at pressure <=4 bar and annual consumption under 50.000 kWh. The number of consumers supplied by LRS is 1.912.245. LRT do not have any penalty or discount for vulnerability reasons.	No.

Annex 3 – Retail prices for gas consumers - MEDREG member responses

Annex 3.1 - EUROSTAT methodology

The following tables and figures present the information received from MEDREG members with the gas retail prices, for household and non-household segments, using Eurostat methodology: Croatia, France, Greece, Israel, Italy, Portugal, Spain and Turkey.

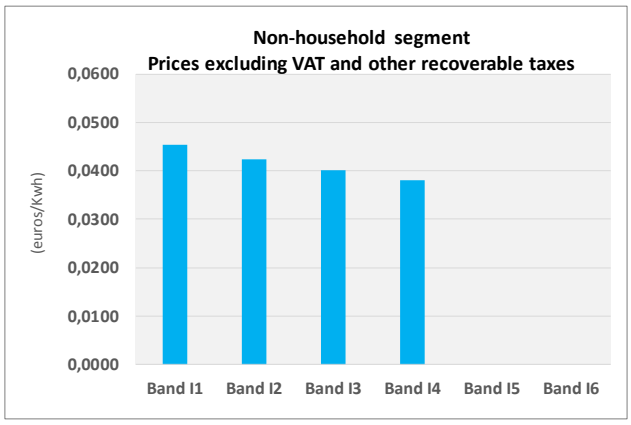
In the analysis for the non-household segment, the retail gas prices exclude VAT and other recoverable taxes. For the household segment, the retail gas prices include all taxes, levies and VAT.

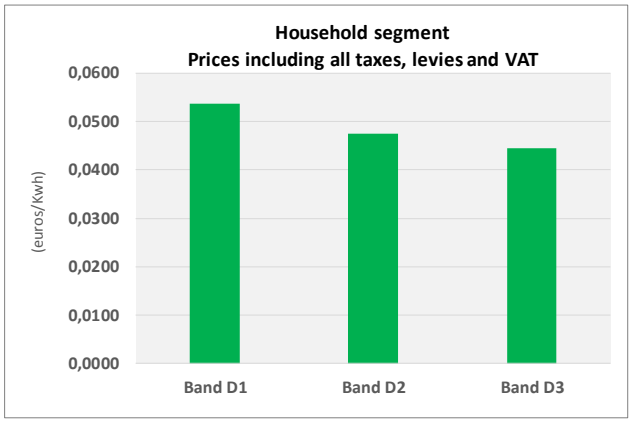
CROATIA

Table 15: Retail gas prices – Croatia (2nd semester 2015)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20	704 025	0,0430	0,0430	0,0537
Band D2	20	200	5 799 509	0,0380	0,0380	0,0475
Band D3	< 200		200 969	0,0356	0,0356	0,0444

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000	1 831 174	0,0447	0,0453	0,0566
Band I2	1 000	10 000	1 140 545	0,0419	0,0424	0,0530
Band I3	10 000	100 000	2 157 401	0,0396	0,0401	0,0502
Band I4	100 000	1 000 000	2 339 553	0,0378	0,0380	0,0475
Band I5	1 000 000	4 000 000	0	-	-	-
Band I6	> 4 000 000		0	-	-	-





Notes: Prices for Band I5 and I6 not available (Industral end-users).
Data from HERA database for 2nd semester 2015.

For the non-household segment, retail gas prices have a minimum value of 38,0 €/MWh (Band I4) and a maximum value of 45,3 €/MWh (Band I1). As may be expected, gas prices decrease for the bands with higher gas consumption.

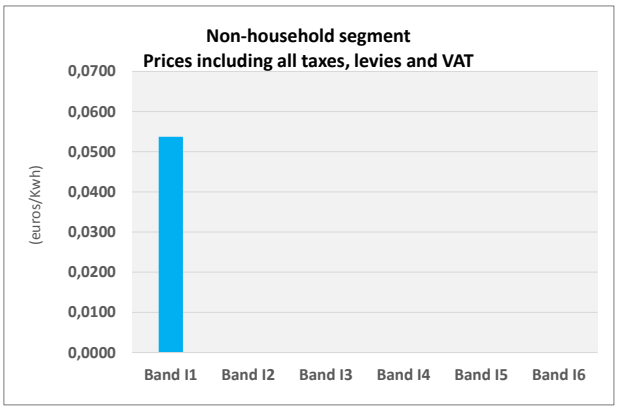
For the household segment, retail gas prices have a minimum value of 44,4 €/MWh (Band D3) and a maximum value of 53,7 €/MWh (Band D1). As may be expected, gas prices decrease for the bands with higher gas consumption.

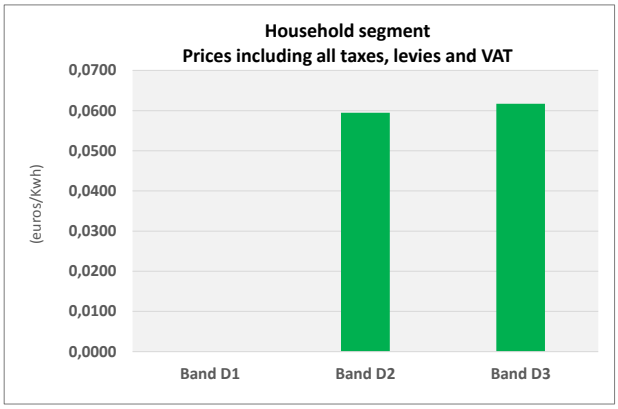
FRANCE

Table 16: Retail gas prices – France (2nd semester 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20				
Band D2	20	200	108	0,0467		0,0595
Band D3	< 200		84	0,0486		0,0617

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000	419	0,0420		0,0537
Band I2	1.000	10.000				
Band I3	10.000	100.000				
Band I4	100.000	1.000.000				
Band I5	1.000.000	4.000.000				
Band I6	> 4 000 000					





Notes: Data calculated by CRE based on the regulated tariffs from the incumbent supplier.
For industrail end-users prices include all taxes, levies and VAT.
Prices for Band D1 not available (Household end users).
Prices for Band I2, I3, I4, I5 and I6 not available (Industral end-users).

For the non-household segment, retail gas prices account for 53,7 €/MWh (Band I1). Prices for the other bands are not available.

For the household segment, retail gas prices have a minimum value of 59,5 €/MWh (Band D1) and a maximum value of 61,7 €/MWh (Band D2).

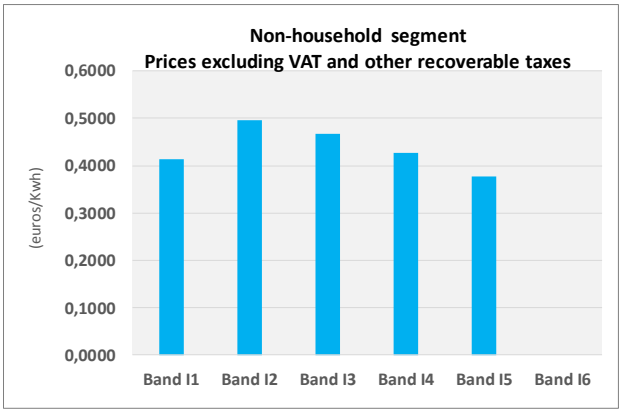
GREECE

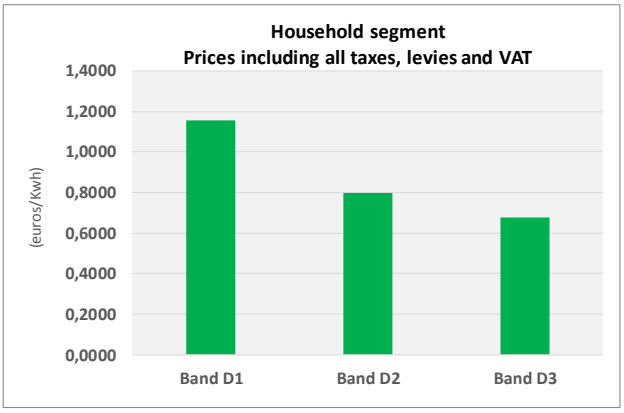
Table 17: Retail gas prices – Greece (2nd semester 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20		0,9650	1,0250	1,1570
Band D2	20	200		0,6470	0,7060	0,7980
Band D3	< 200			0,5410	0,6010	0,6780

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000		0,4220	0,4130	0,5400
Band I2	1 000	10 000		0,4390	0,4960	0,5580
Band I3	10 000	100 000		0,0410	0,4670	0,5220
Band I4	100 000	1 000 000		0,3230	0,4280	0,4790
Band I5	1 000 000	4 000 000		0,3220	0,3780	0,3880
Band I6	> 4 000 000			-	-	-

Values to be confirmed





Notes: Prices for Band I6 not available (Industral end-users).

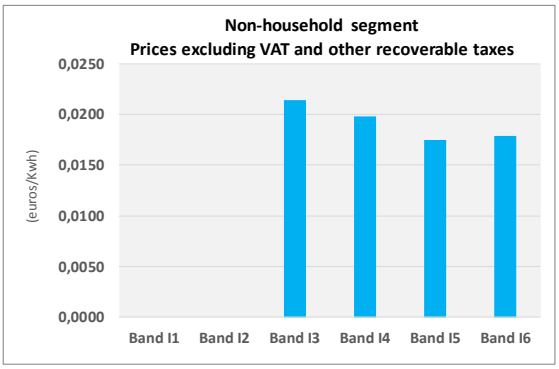
For the non-household segment retail gas prices have a minimum value of 37,8 €/MWh (Band I5) and a maximum value of 49,6 €/MWh (Band I2). As expected gas prices decrease for the bands with higher gas consumption, with the exception of Band I1.

For the household segment retail gas prices have a minimum value of 67,8 €/MWh (Band D3) and a maximum value of 115,7 €/MWh (Band D1). As expected gas prices decrease for the bands with higher gas consumption.

ISRAEL

Table 18: Retail gas prices – Israel (2nd semester 2015)

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000	0		0,0000	
Band I2	1 000	10 000	0		0,0000	
Band I3	10 000	100 000	54 340		0,0214	
Band I4	100 000	1 000 000	3 118 553		0,0198	
Band I5	1 000 000	4 000 000	7 670 693		0,0175	
Band I6	> 4 000 000		286 707 082		0,0179	



Notes: Data for 2nd semester 2015.
Prices for house-hold end-users not avalilable.
Prices for Band I1 and I2 not available (Industral end-users).

For the non-household segment retail gas prices have a minimum value of 17,9 €/MWh (Band I5) and a maximum value of 6 19,8 €/MWh (Band I3). As expected gas prices decrease for the bands with higher gas consumption, with the exception of Band I6.

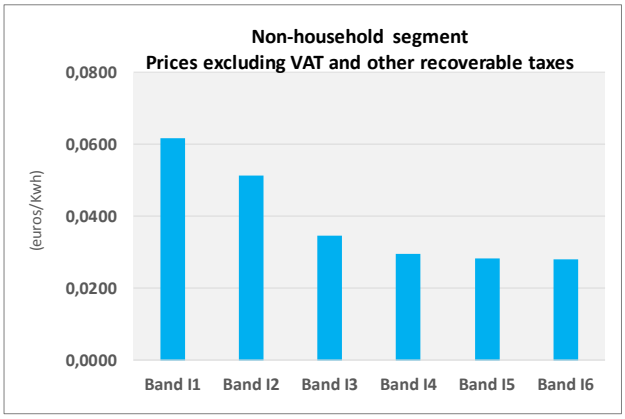
Retail gas prices for the household segment are not available because there is no gas consumption for this segment.

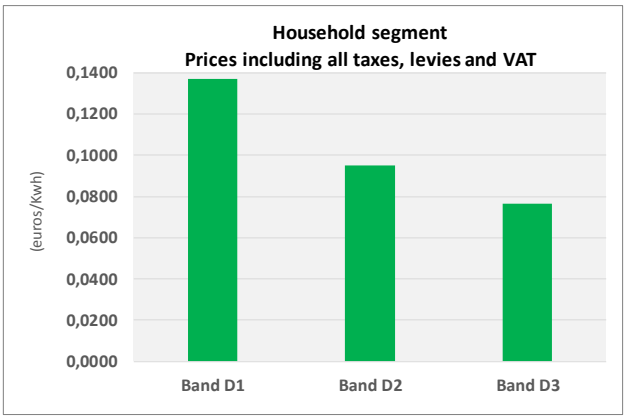
ITALY

Table 19: Retail gas prices – Italy (2nd semester 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20	288.700	0,1039	0,1174	0,1370
Band D2	20	200	174.000	0,0626	0,0793	0,0951
Band D3	< 200		124.400	0,0448	0,0628	0,0766

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000	140.900	0,0507	0,0618	0,0775
Band I2	1.000	10.000	114.300	0,0411	0,0512	0,0565
Band I3	10.000	100.000	900.000	0,0324	0,0345	0,0386
Band I4	100.000	1.000.000	802.000	0,0289	0,0296	0,0319
Band I5	1.000.000	4.000.000	774.000	0,0279	0,0282	0,0305
Band I6	> 4 000 000		769.000	0,0277	0,0280	0,0302





For the non-household segment retail gas prices have a minimum value of 28,0 €/MWh (Band I6) and a maximum value of 61,8 €/MWh (Band I1). As expected gas prices decrease for the bands with higher gas consumption.

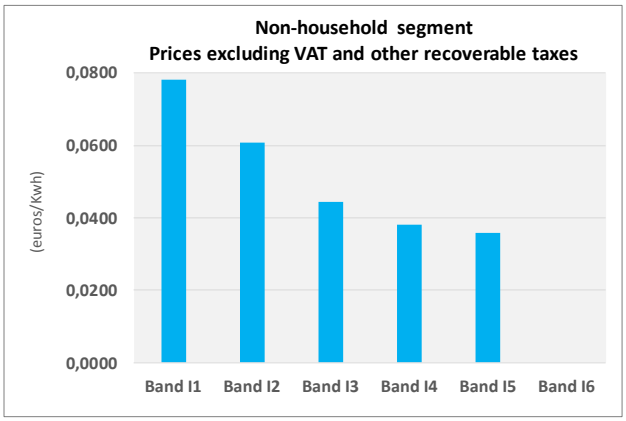
For the household segment retail gas prices have a minimum value of 76,6 €/MWh (Band D3) and a maximum value of 137,0 €/MWh (Band D1). As expected gas prices decrease for the bands with higher gas consumption.

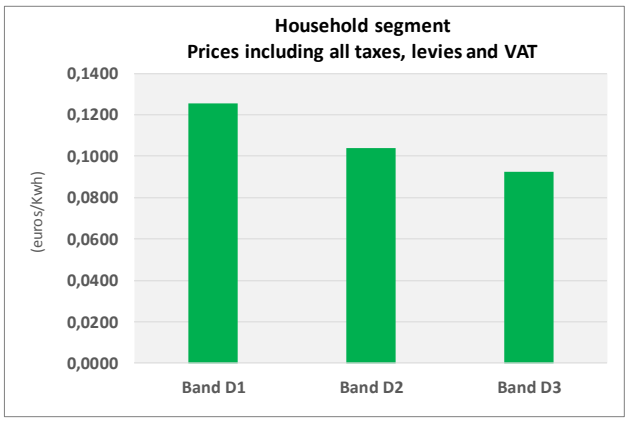
PORTUGAL

Table 20: Retail gas prices – Portugal (2nd semestre 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20	7 974 552	0,0966	0,1021	0,1256
Band D2	20	200	2 111 656	0,0802	0,0845	0,1039
Band D3	< 200		159 792	0,0709	0,0751	0,0923

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000	1 313 946	0,0726	0,0781	0,0961
Band I2	1 000	10 000	2 419 315	0,0590	0,0607	0,0746
Band I3	10 000	100 000	8 999 013	0,0437	0,0444	0,0546
Band I4	100 000	1 000 000	21 765 297	0,0377	0,0381	0,0469
Band I5	1 000 000	4 000 000	10 866 429	0,0358	0,0358	0,0441
Band I6	> 4 000 000		0	-	-	-





Notes: Prices for Band I6 not available (Industral end-users).

For the non-household segment retail gas prices have a minimum value of 35,8 €/MWh (Band I5) and a maximum value of 78,1 €/MWh (Band I1). As expected gas prices decrease for the bands with higher gas consumption.

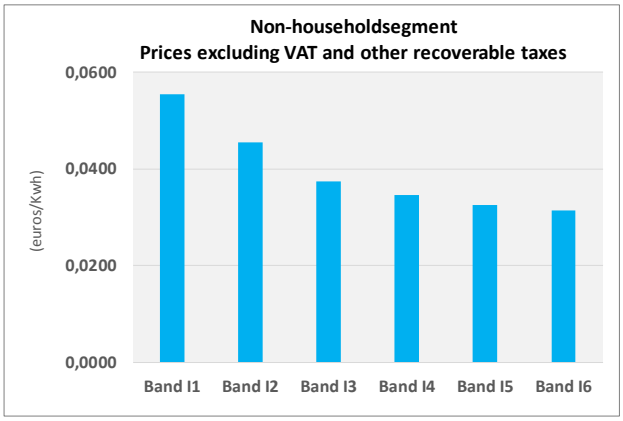
For the household segment retail gas prices have a minimum value of 92,3 €/MWh (Band D3) and a maximum value of 125,6 €/MWh (Band D1). As expected gas prices decrease for the bands with higher gas consumption.

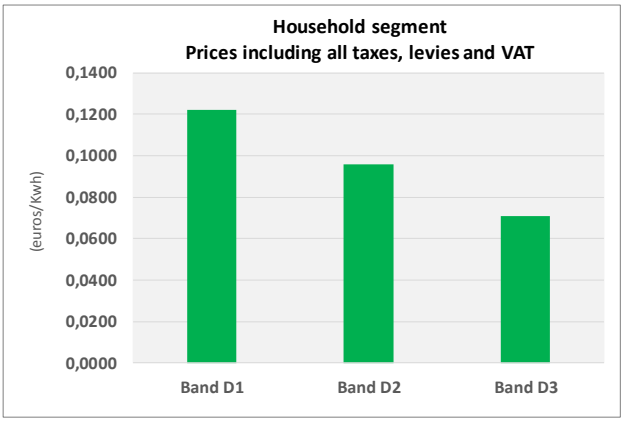
SPAIN

Table 21: Retail gas prices – Spain (2nd semester 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20		0,0986	0,1009	0,1221
Band D2	20	200		0,0769	0,0793	0,0959
Band D3	< 200			0,0562	0,0585	0,0708

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000		0,0548	0,0554	0,0670
Band I2	1.000	10.000		0,0450	0,0455	0,0550
Band I3	10.000	100.000		0,0437	0,0374	0,0452
Band I4	100.000	1.000.000		0,0342	0,0347	0,0420
Band I5	1.000.000	4.000.000		0,0320	0,0326	0,0394
Band I6	> 4 000 000			0,0309	0,0315	0,0381





For the non-household segment retail gas prices have a minimum value of 31,5 €/MWh (Band I6) and a maximum value of 55,4 €/MWh (Band I1). As expected gas prices decrease for the bands with higher gas consumption.

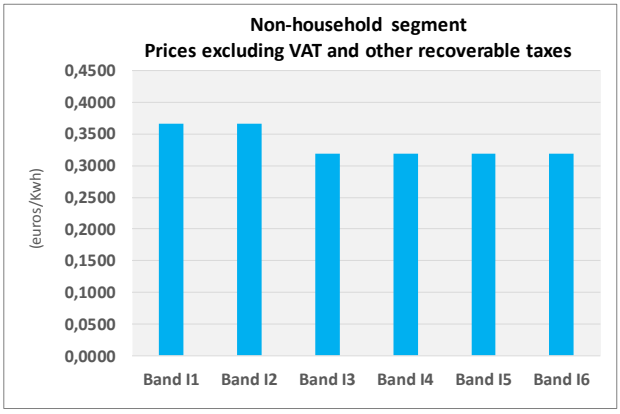
For the household segment retail gas prices have a minimum value of 70,8 €/MWh (Band D3) and a maximum value of 121,1 €/MWh (Band D1). As expected gas prices decrease for the bands with higher gas consumption.

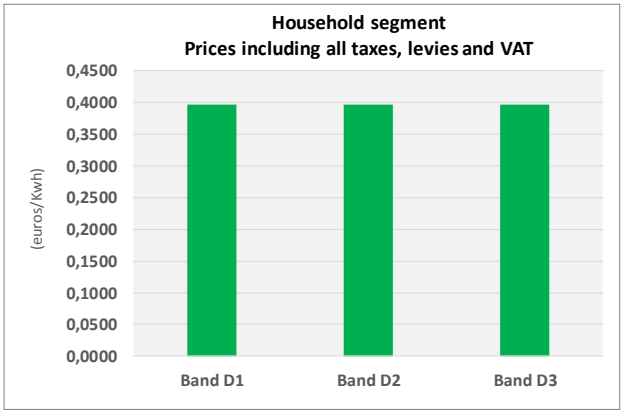
TURKEY

Table 22: Retail gas prices – Turkey (2nd semester 2014)

Household end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band D1		< 20		0,3300	0,3894	0,3975
Band D2	20	200		0,3300	0,3894	0,3975
Band D3	< 200			0,3300	0,3894	0,3975

Industrial end-user	Annual gas consumption (GJ)		Gas Annual Consumption (GJ)	Retail gas prices (€/kWh)		
	Lowest	Highest		Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Band I1		< 1 000		0,3100	0,3658	0,3739
Band I2	1.000	10.000		0,3100	0,3658	0,3739
Band I3	10.000	100.000		0,2700	0,3186	0,3267
Band I4	100.000	1.000.000		0,2700	0,3186	0,3267
Band I5	1.000.000	4.000.000		0,2700	0,3186	0,3267
Band I6	> 4 000 000			0,2700	0,3186	0,3267





For the non-household segment retail gas prices have a minimum value of 31,86 €/MWh (Band I3, I4, I5 and I6) and a maximum value of 36,58 €/MWh (Band I1 and I2).

For the household segment retail gas prices have a unique value of 39,7 €/MWh (Band D1, D2 andD3).

Annex 3.2 - Methodology with standard household and non-household end-user profiles

Next tables and figures present the information received from the different MEDREG members with the gas retail prices, for household and non-household segments, using the methodology with standard end-user profiles.

In the analysis for the non-household segment the retail gas prices exclude VAT and other recoverable taxes. For household segment the retail gas prices include all taxes, levies and VAT.

It was only Egypt that send the gas retail prices using the methodology based on standard end-user profiles.

EGYPT

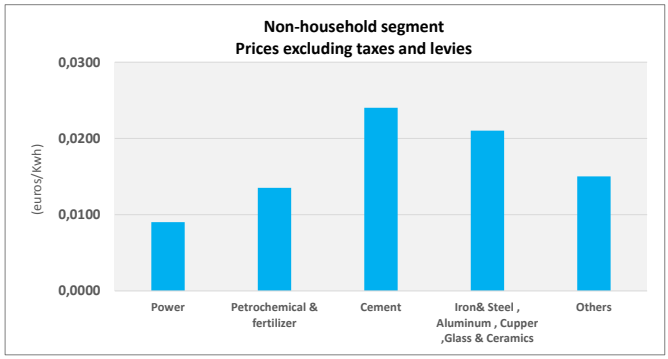
Table 23: Retail gas prices – Egypt

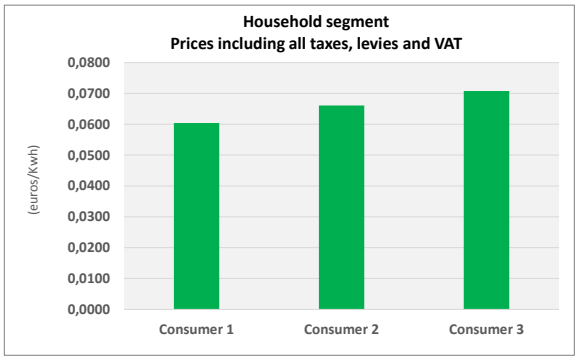
Household end-user	Annual gas consumption (GJ)	Modulation (days) *	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Consumer 1	<0.98	N/A	0,0038		0,0604
Consumer 2	0.98-1.96	N/A	0,0094		0,0661
Consumer 3	>1.96	N/A	0,0142		0,0708

* If applicable

Power Sector & Industrial end-user	Annual gas consumption (GJ)	Modulation (days)	Retail gas prices (€/kWh)		
			Prices excluding taxes and levies*	Prices excluding VAT and other recoverable taxes	Prices including all taxes, levies and VAT
Power	N/A	N/A	0,0090		
Petrochemical & fertilizer	N/A	N/A	0,0135		
Cement	N/A	N/A	0,0240		
Iron& Steel , Aluminum , Cupper ,Glass & Ceramics	N/A	N/A	0,0210		
Others	N/A	N/A	0,0150		

* Sales Taxes and other taxes are being paid according to company activity and not related to the gas bill





Notes: Sales taxes and other taxes are being paid according to company activity and not related to the gas bill.
For industrail end-users prices excludes taxes and levies.
Consumer 1: 10 GJ/year (2 778 kWh/year)
Consumer 2:100 GJ/year (27 778 kWh/year)
Consumer 3: 1 000 GJ/year (277 778 kWh/year)

For the non-household segment retail gas prices have a minimum value of 9,0 €/MWh (Power generation) and a maximum value of 24,0 €/MWh (Cement industry). Price differentiation is made for the different industry activities.

For the household segment retail gas prices have a minimum value of 60,4 €/MWh (Band D1) and a maximum value of 70,8 €/MWh (Band D3).